



Overstrand Municipality
Financial statements
for the year ended June 30, 2010


**OVERSTRAND MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS**

for the year ended 30 June 2010

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 66, in terms of Section 126(a) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councilors, loans made to Councilors, if any, and payments made to Councilors for loss of office, if any, as disclosed in the notes of these annual financial statements are within the upper limits of the framework envisaged in Section 210 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



W. Zylbrands
Municipal Manager

26 November 2010

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Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Statement of Financial Position

Figures in Rand

Notes

2010

Restated
2009

Assets				
Current Assets				
Inventories	3	4,634,802	4,571,367	
Other financial assets	4	10,000,000	-	
Operating lease asset	5	744,064	754,993	
Trade and other receivables from exchange transactions	6	30,408,119	42,520,977	
Other receivables from non-exchange transactions, including taxes and transfers	7	15,633,554	18,532,823	
Consumer debtors	8	35,105,859	36,500,690	
Long term receivables	9	31,363	110,099	
Cash and cash equivalents	10	19,623,308	11,859,898	
Non-Current Assets				
Investment property	11	66,837,900	47,341,200	
Property, plant and equipment	12	2,912,643,273	2,899,159,921	
Intangible assets	13	2,577,277	2,360,000	
Other financial assets	4	2,631,821	8,875,521	
Long term receivables	9	173,993	311,407	
Total Assets		3,120,343,971	3,091,749,896	
Liabilities				
Current Liabilities				
Other financial liabilities	15	9,265,081	23,092,373	
Trade and other payables from exchange transactions	16	73,540,770	98,698,442	
Consumer deposits	17	13,893,478	11,379,540	
Retirement benefit obligation	18	1,759,872	1,064,897	
Unspent conditional grants and receipts	19	1,922,016	2,894,370	
Provisions	20	4,491,632	1,952,424	
Non-Current Liabilities				
Other financial liabilities	15	171,488,108	103,132,935	
Retirement benefit obligation	18	54,827,128	52,453,742	
Provisions	20	25,917,467	24,700,581	
Total Liabilities		357,105,552	319,369,304	
Net Assets		2,763,238,419	2,772,380,592	
Net Assets				
Reserves:				
Revaluation reserve		315,176,077	315,176,077	
Housing development fund	50	1,918,403	3,328,676	
Accumulated surplus		2,446,143,939	2,453,875,839	
Total Net Assets		2,763,238,419	2,772,380,592	

Oversstrand Municipality Financial Statements for the year ended June 30, 2010

Statement of Financial Performance

Figures in Rand	Notes	2010	Restated 2009
Revenue			
Property rates	21	121,922,911	116,200,501
Service charges			
Property rates - penalties imposed and collection	22	292,633,636	230,908,179
Rental income			
Public contributions, Donated and contributed property, plant and equipment			
Fines			
Licences and permits			
Government grants	23	56,652,174	44,098,257
Other income	24	23,444,737	18,524,050
Interest received	25	4,956,885	5,753,469
Total Revenue		518,687,786	428,146,307
Expenditure			
Employee related costs	26	(156,843,819)	(123,649,487)
Remuneration of councillors	27	(4,529,711)	(4,270,505)
Depreciation and amortisation	28	(101,142,706)	(34,145,424)
Impairment loss/ Reversal of impairments			
Finance costs	29	(19,294,616)	(7,526,953)
Debt impairment	30	(9,507,272)	(4,964,544)
Repairs and maintenance			
Bulk purchases	31	(78,005,898)	(59,353,373)
Contracted services	32	(14,461,156)	(11,745,950)
Grants and subsidies paid	33	(11,817,760)	(9,308,485)
General Expenses	34	(110,827,156)	(100,701,283)
Total Expenditure		(555,472,545)	(397,817,213)
Gain / (Loss) on disposal of assets		7,046,456	(331,290)
Fair value adjustments		19,857,210	-
(Deficit) surplus for the year		(9,881,093)	29,997,804

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Statement of Changes in Net Assets

Figures in Rand	Share capital / contributions from owners	Revaluation reserve	Housing development fund	Total reserves	Accumulated surplus	Total net assets
Opening balance as previously reported	-	-	3,317,403	3,317,403	422,745,979	426,063,382
Adjustments	-	-	-	-	9,087,143	9,087,143
Prior year adjustments	-	-	-	-	9,087,143	-
Restated balance at July 1, 2008	-	-	3,317,403	3,317,403	431,833,122	435,150,525
Changes in net assets	-	-	-	-	29,997,804	29,997,804
Surplus for the year	-	-	-	-	1,942,906,937	1,942,906,937
Prior period error - Unbundling of PPE	-	-	-	-	47,341,200	47,341,200
Change in accounting policy - Recognition of Investment Property	-	-	-	-	18,851,000	18,851,000
Change in accounting policy - Recognition of Non-current Assets held for sale	-	-	-	-	(11,515,780)	(11,515,780)
Landfill sites Rehabilitation Adjustment	-	-	-	-	(7,366,234)	(7,366,234)
Post Retirement Benefits adjustments	-	-	-	-	1,915,999	1,915,999
Cleaning up illegal dumping adjustments	-	-	-	-	(78,465)	(78,465)
Movement in self insurance fund	-	-	11,273	11,273	(11,273)	-
Transfer to Housing Development Fund	-	-	-	315,176,077	-	315,176,077
Revaluation and Recognition of land	-	-	-	-	1,529	1,529
Accounting errors	-	-	-	-	-	-
Total changes	-	315,176,077	11,273	315,187,350	2,022,042,717	2,337,230,067
Opening balance as previously reported	-	265,574,077	3,328,676	268,902,753	2,355,131,237	2,624,033,990
Adjustments	-	49,602,000	-	49,602,000	98,744,602	148,346,602
Prior year adjustments	-	-	-	-	2,453,875,839	2,772,380,592
Restated balance at July 1, 2009	-	315,176,077	3,328,676	318,504,753	2,453,875,839	2,772,380,592
Changes in net assets	-	-	-	-	(9,881,093)	(9,881,093)
Surplus for the year	-	-	(1,410,273)	(1,410,273)	1,419,540	9,267
Transfer to Housing Development Fund	-	-	-	-	729,653	729,653
Movement in self insurance fund	-	-	-	-	(7,731,900)	(9,142,173)
Total changes	-	-	(1,410,273)	(1,410,273)	2,446,143,939	2,763,238,419
Balance at June 30, 2010	-	315,176,077	1,918,403	317,094,480	2,446,143,939	2,763,238,419

Note(s)

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Cash Flow Statement

Figures in Rand	Notes	2010	2009
Cash flows from operating activities			
Receipts			
- Taxation		121,922,911	116,200,501
- Sales of goods and services		294,028,467	221,015,936
- Grants		55,679,820	29,919,960
- Other receipts		57,655,336	6,172,127
Payments			
- Employee costs		(153,775,458)	(125,079,717)
- Suppliers		(78,005,898)	(59,353,373)
- Other payments		(221,533,519)	(160,017,519)
Cash generated from operations	35	75,971,659	28,857,915
Interest income		4,956,885	5,753,469
Finance costs		(19,294,616)	(7,526,953)
Transfers to self insurance fund		729,653	(78,466)
Prior period adjustments		-	9,088,669
Movement in housing development fund		9,267	-
Net cash from operating activities		62,372,848	36,094,634
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(84,059,831)	(127,304,912)
Construction of property, plant and equipment	12	(31,249,708)	(46,889,057)
Sale of property, plant and equipment	12	7,528,226	(331,290)
Purchase of other intangible assets	13	(219,695)	-
Movement in financial assets		(3,756,300)	53,650,343
Movement in long term receivables		106,051	118,215
Net cash from investing activities		(111,651,257)	(120,756,701)
Cash flows from financing activities			
Purchase of property, plant and equipment	12	54,527,881	74,902,065
Movement in other financial liabilities		2,513,938	1,158,618
Movement in Consumer deposits		57,041,819	76,060,683
Net cash from financing activities		111,859,898	11,859,898
Total cash movement for the year		7,763,410	(8,601,384)
Cash at the beginning of the year		11,859,898	20,461,282
Net increase / (decrease) in cash and cash equivalents	10	19,623,308	11,859,898

Accounting Policies

1. Presentation of Financial Statements

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention.

These annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless otherwise explicitly stated. The details of any changes in accounting policies and comparative restatements are explained in the relevant policy.

A summary of the significant accounting policies are set out below.

1.2 Significant judgements

The following are the critical judgements that the management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in the Annual Financial Statements:

1.2.1 Revenue recognition

Accounting Policy 12.1 on Revenue from Exchange Transactions describes the conditions under which revenue will be recorded by the management of the exchange Transactions under which revenue will be recorded by the management of the municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services is rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

1.2.2 Financial assets and financial liabilities

The classification of financial assets and financial liabilities is based on judgement by management.

1.2.3 Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities as set out in notes 20 and 37 respectively. Provisions are discounted where the effect of discounting is material using actuarial valuations.

1.3 Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

1.3.1 Impairment of Financial Assets

Accounting Policy 10.1.5 on impairment of Financial Assets describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considers the detailed criteria of impairment of financial assets as set out in IAS 39: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in Note to the Annual Financial Statements.

1.3.2 Useful lives of Property, Plant and Equipment

As described in Accounting Policy 6.2, the municipality depreciates its property, plant and equipment, investment property and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use. The useful lives and residual values of the assets are based on industry knowledge.

1.3.3 Defined Benefit Plan Liabilities

As described in Accounting Policy 15, the municipality obtains actuarial valuations of its defined benefit plan liabilities. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of IAS 19. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Notes 18 and 20 to the Annual Financial Statements.

Accounting Policies

2.

PRESENTATION CURRENCY

3.

GOING CONCERN ASSUMPTION

The annual financial statements are presented in South African Rand, which is the functional currency of the municipality, and amounts are rounded off to the nearest R1.

4.

OFFSETTING

The annual financial statements have been prepared on the assumption that the municipality is a going concern and will continue in operation for the foreseeable future.

5. ACCUMULATED SURPLUS

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

5.

5.1

Housing Development Fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

5.2 Self-Insurance Reserve

The Municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term investments.

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

5.3 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/ (deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/ (deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

6. PROPERTY, PLANT AND EQUIPMENT

6.1

Measurement

Property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located. Subsequent to initial recognition, items of property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses, where applicable. Infrastructure assets are stated at the depreciated replacement cost.

Subsequent to initial recognition, land and buildings are carried at a revalued amount based on municipal valuations, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by external independent valuers with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Accounting Policies

An increase in the carrying amount of land and buildings as a result of a revaluation is credited directly to a revaluation surplus reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in the carrying amount of an asset as a result of a revaluation is recognised in surplus or deficit, except to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item can not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which is capitalised.

6.2 Depreciation

Depreciation is calculated on cost, using the straight line method, to allocate their cost to their residual values over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are initially based on the following originally estimated useful lives and thereafter on the estimated remaining useful lives as at year-end:

Infrastructure	Years	Other	Years
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	1-7
Sewerage	15-20	Furniture and fittings	1-10
Housing	30	Watercraft	15
Community Improvements	30	Bins and containers	5
Recreational Facilities	20-30	Specialized plant and equipment	10-15
Security	5	Other plant and equipment	2-5
		Intangible assets	2-5

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate.

6.2.1 Heritage assets

These are assets that are defined as culturally significant resources which are not depreciated owing to the uncertainty regarding their estimated useful lives.

6.2.2 Land

Land is not depreciated as it is deemed to have an indefinite useful life.

6.2.3 Incomplete construction work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use.

6.3 Landfill sites

The Municipality has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. Provision is made for this obligation in accordance with the Municipality's accounting policy on non-current provisions – see Accounting Policy 14 on Provisions.

Accounting Policies

6.4 Disposal of property, plant and equipment

The book values of assets are written off on disposal. The difference between the net book value of assets (cost less accumulated depreciation and accumulated impairment losses) and the sales proceeds is included in the Statement of Financial Performance as a gain or loss on disposal of property, plant and equipment.

6.5 Impairment

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the individual asset.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

6.6 Derecognition

Items of Property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

7. INTANGIBLE ASSETS

Identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised and are charged against income as incurred, while development expenditure is only capitalised to the extent that:

- the municipality intends to complete the intangible asset for use or sale;
- it is technically feasible to complete the intangible asset;
- the municipality has the resources to complete the project; and
- it is probable that the municipality will receive future economic benefits or service potential.

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, where applicable.

In terms of GRAP 102, intangible assets are distinguished between internally generated intangible assets and other intangible assets. It is further distinguished between indefinite or finite useful lives. Intangible assets with finite useful lives are amortised over its useful life. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised but is subject to an annual impairment test.

Where items of intangible assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation. The impairment loss is the difference between the carrying amount and the recoverable amount

The estimated useful life and amortisation method are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Accounting Policies

8. INVESTMENT PROPERTY

Investment property is property held to earn rental revenue or for capital appreciation or both.

Investment Property is carried at fair value, representing open market value determined annually. The valuations are not performed by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Changes in fair values are recorded in the Statement of Financial Performance as part of other income.

Where the classification of an investment property is based on management's judgement, the following criteria have been applied to distinguish investment properties from owner-occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as investment properties.

- land held for a currently undetermined future use.
- a building owned and leased out under one or more operating leases.

- leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment properties. The rental revenue generated is incidental to the purposes for which the property is held.

The gain or loss arising on the disposal of an investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

9. NON-CURRENT ASSETS HELD FOR SALE

Non-current Assets and Disposal Groups are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current Assets (and Disposal Groups) classified as held-for-sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

The gain or loss on the eventual sale of non-current assets held for sale is included in the Statement of Financial Performance as gain or loss on sale of assets. The gain or loss on the eventual sale of non-current assets held for sale, is calculated on the difference between the net disposal proceeds and the carrying amount of the individual asset or the disposal group.

10. FINANCIAL INSTRUMENTS

Financial instruments are initially measured at fair value plus, in the case of a financial asset or liability not at fair value through the statement of financial performance, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. The subsequent measurement of financial instruments is dealt with as follows:

10.1 Financial Assets

A financial asset is any asset that is a cash or contractual right to receive cash. The municipality classifies its investments in the following categories:

- Financial assets at fair value through profit or loss.
- Loans and Receivables,
- Held to maturity investments and
- Financial assets available for sale.

The classification is dependent on the purpose for which the financial asset is acquired and is as follows:

10.1.1 Financial assets at fair value through profit or loss

Financial assets that meet either of the following conditions:

- they are classified as held for trading; or
- upon initial recognition they are designated as at fair value through the Statement of Financial Performance.

They are subsequently measured at fair value at the statement of financial position date with the profit or loss being recognised in the Statement of Financial Performance.

Accounting Policies

10.1.2 Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the municipality provides money, goods or services directly to a debtor without any intention of trading such debtors. Loans and debtors are included in the trade and other receivables in the statement of financial position and are subsequently measured at amortised cost using the effective interest rate method.

10.1.3 Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable dates of maturity which the municipality intend and are able to keep to maturity. They are included under non-current and current assets in the statement of financial position and are subsequently measured at amortised cost using the effective interest rate method.

10.1.4 Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and comprises of cash and equity instruments held in shares. They are included under current assets in the statement of financial position and are initially and subsequently measured at fair value at the statement of financial position date, except for investments in equity instruments that do not have quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

10.1.5 Impairment of financial assets

An assessment is performed at each reporting date to determine whether objective evidence exist that a financial asset is impaired, such as the probability of insolvency or significant financial difficulties of the debtor. If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in surplus or deficit.

Initially Accounts Receivable are valued at fair value and subsequently carried at amortised cost using the effective interest rate method. An estimate is made for doubtful debt based on past default experience of all outstanding amounts at year-end. Bad debts are written off the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of trade receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Consumer Debtors are stated at cost less a provision for bad debts. The provision is made so that the recoverability of Consumer Debtors is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. Government accounts are not provided for as such accounts are regarded as receivable. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of Available-for-Sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent that the carrying amount of the investment, at the date the impairment is reversed, does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of Available-for-Sale equity securities, impairment losses previously recognised through profit or loss are not reversed through the Statement of Financial Performance. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

Accounting Policies

10.2 Financial Liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. There are two main categories of Financial Liabilities, the classification determining how they are measured. Financial liabilities may be measured at:

- Fair value through profit or loss; or
- Other financial liabilities at amortised cost

All financial liabilities including trade and other payables, are measured at amortised cost using the effective interest rate method. Financial liabilities include borrowings, other non-current liabilities (excluding provisions) and trade and other payables (excluding provisions). Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs. Finance charges, including premiums payable, are accounted for on an accrual basis.

Trade Payables and Other

Trade payables and other are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

10.3 Derecognition of financial assets and liabilities

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

11. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge they are valued at the lower of cost and current replacement cost.

Water and purified effluent are valued at purified cost insofar as it is stored and controlled in reservoirs at year-end.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

Cost of inventory comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related income is recognised. Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Accounting Policies

12. REVENUE RECOGNITION

Revenue comprises the fair value of the remuneration received or receivable for the sale of services or goods in the ordinary course of the municipality's activities. Revenue is shown net of value-added tax, returns, rebates and discounts. The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised as follows:

12.1 Revenue from Exchange Transactions

12.1.1 Service Charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has a water connection. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are charged on both vacant and developed property using the tariffs approved from Council and are levied monthly.

12.1.2 Pre-paid electricity

Revenue from the sale of electricity prepaid units is recognised when the risks and rewards of ownership has passed to the buyer.

Revenue received from pre-paid electricity sales are deferred and recognised as revenue on the consumption basis, commencing on the date of purchase. The consumption of pre-paid electricity is measured by using a trend analysis and other historical data about electricity usage, including how often an electricity card is purchased or additional units of electricity loaded onto a pre-paid card.

12.1.3 Interest earned

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

12.1.4 Royalties

Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

12.1.5 Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the service is rendered by applying the relevant approved tariff. This includes the issuing of licences and permits.

12.1.6 Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

12.1.7 Housing rental and instalments

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

Accounting Policies

12.1.8 Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

12.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

12.2.1 Rates and taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable.

12.2.2 Fines

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received together with an estimate of fines and summonses that will be received based on past experience of amounts collected.

12.2.3 Public contributions

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

12.2.4 Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment are recognised when such items of property, plant and equipment are brought into use.

12.2.5 Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

13. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the Statement of Financial Performance in the period in which they become receivable.

Government grants and conditional receipts are recognised as revenue when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- (b) the amount of the revenue can be measured reliably, and
- (c) to the extent that there has been compliance with any restrictions associated with the grant.

Accounting Policies

14. PROVISIONS

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost as it occurs.

15. EMPLOYEE BENEFITS

15.1 Short-term Employee Benefits

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as payable in the Statement of Financial Position. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

15.2 Long-service Allowance

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the statement of financial performance.

15.3 Post Retirement Benefits

The Municipality provides post retirement benefits for its employees and councillors.

Defined Contribution Plans

A defined contribution plan is a plan under which the municipality pays fixed contributions into a separate entity. The municipality has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid.

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

15.3.1 Medical Aid: Continued Members

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate.

Past-service costs are recognised immediately in income, unless the changes to the plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

15.3.2 Actuarial Gains and Losses

The municipality recognises actuarial gains and losses in full in the period in which they occur. Actuarial valuations are performed bi-annually.

Accounting Policies

15.3.3 Provincially-administered Defined Benefit Plans

The municipality contributes to various National- and Provincial-administered Defined Benefit Plans on behalf of its qualifying employees. These funds are multi-employer funds (refer to Note 18 of the Annual Financial Statements for details). The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. These defined benefit funds are actuarially valued bi-annually on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

16. LEASES

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the lessee. Operating leases are those leases that do not fall within the scope of the above definition.

The Municipality as Lessee

Property, plant and equipment subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liabilities are raised as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating lease rentals are recognised as an expense on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset.

The Municipality as Lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental income from operating leases is recognised and recorded on a straight-line basis over the term of the relevant lease.

17. BORROWING COSTS

The municipality capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the Statement of Financial Performance.

18. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried in the Statement of Financial Position at fair value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and cash with bank, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

19. VALUE ADDED TAX

The Municipality accounts for Value Added Tax on the cash basis.

20. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the annual financial statements.

Accounting Policies

21. GRANTS-IN-AID

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the Statement of Financial Performance as expenses in the period that the events giving rise to the transfer occurred.

22. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance in the year that the expense was incurred and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

23. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's or Municipal Entities' supply chain management policies. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

24. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance in the year that the expenditure was recorded and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

25. FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded at the prevailing exchange rate on the dates of the transactions. Monetary assets and liabilities denominated in such foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are included in the Statement of Financial Performance.

26. COMPARATIVE INFORMATION

26.1 Current year comparatives:
Budgeted amounts have, in accordance with GRAP 1, been provided in an annexure to these financial statements and forms part of the audited annual financial statements.

26.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the amendment. The nature and reason for the restatement is disclosed.

27. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

Changes in accounting policies that are effected by management are applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of Errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

28. RELATED PARTIES

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

29. EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events are accounted for in the Annual Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the Annual Financial Statements.

30. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18	Segment Reporting - issued March 2005
GRAP 21	Impairment of Non-cash-generating Assets - issued March 2009
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers) - issued February 2008
GRAP 24	Presentation of Budget Information in Financial Statements - issued November 2007
GRAP 25	Employee Benefits - issued December 2009
GRAP 26	Impairment of Cash-generating Assets - issued March 2009
GRAP 103	Heritage Assets - issued July 2008
GRAP 104	Financial Instruments - issued October 2009

Application of all of the above GRAP standards will be effective from a date to be announced by the Minister of Finance. This date is not currently available.

The ASB Directive 5 paragraph 29 allows for the Municipality to select to apply the principles established in a Standard of GRAP that has been issued, but is not yet in effect, in developing an appropriate accounting policy dealing with a particular transaction or event before applying paragraph . 12 of the GRAP 19 on Accounting Policies, Changes in Accounting Estimates and Errors.

The Municipality applied the principles established in the following Standards of GRAP that have been issued, but is not yet in effect, in developing appropriate accounting policies dealing with the following transactions, but have not early adopted these Standards:

Impairment of Non-cash-generating Assets (GRAP 21 - issued March 2009)
Revenue from Non-Exchange Transactions (GRAP 23 - issued February 2008)
Employee Benefits (GRAP 25 - issued December 2009)
Impairment of Cash-generating Assets (GRAP 26 - issued March 2009)

The following other standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the municipality:

IAS 36 Impairment of assets - amended version effective 1 January 2010
IAS 39 Financial Instruments: Recognition and Measurement - amended version effective 1 January 2010

Management has considered all the above standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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2. Changes in accounting policy and prior period errors

Various Accounting Errors

A number of errors in the prior period's appropriations and transactions was discovered during the current financial period. The effect of these changes are as follows:

Movement in the Financial Performance Statement:	
(Increase) / Decrease in Income	2009
Revenue - service charges	(599,348)
Revenue - fines	(14,051)
Revenue - rental	(84,043)
Revenue - other	(6,543,719)
Interest received	1,672,626
Increase / (Decrease) in Expenses	
General expenses	43,900
- Sundry	134
- Lease rentals	(8,536)
Finance costs	59,140
Employee related costs	(1,717,159)
Repairs and maintenance	(9,087,143)
Opening balance of Accumulated Surplus at 01 July 2008	(16,278,199)

Movement in the Financial Position Statement:	
(Increase) / Decrease in Accumulated Surplus	(98,744,602)
(Increase) / Decrease in Current Liabilities	2,147,968
Trade and other payables	208,227
- Retention fees	1,338,708
- Control account - sundry	60,804
- Deferred income	54,713
- Deposits	(365)
- Other payables	580,803
- Prepaid vending	(94,922)
- Trade payables	18,435,734
(Increase) / Decrease in Non-current Liabilities	21,049
Provisions	(566,360)
Increase / (Decrease) in Non-current Asset	(2,500)
Long term receivables	(5,176,093)
- Land sales	82,606,401
Other financial assets	(140,000)
Fixed assets	33,415
Investment properties	37,896
Increase / (Decrease) in Current Asset	(4,481)
Inventory	2,672,199
- Stores, materials and fuels	(59,323)
- Water	(238)
Trade and other receivables	2,731,760
- Control account - sundry	(891,278)
- Control account - salaries	(395,934)
- Trade	-
Consumer debtors	
Operating lease	

Oversstrand Municipality

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2. Changes in accounting policy and prior period errors (continued)

Reconciliation of adjustments due to changes in accounting policies and prior period errors

Previously reported 2009	Amount of correction 2009	Restated 2009
422,745,979	9,087,143	431,833,122
Decrease in Accumulated Surplus 1 July 2008		
Write off interest and penalties for consumer debtors	(20,628)	
Consumer debtors billing credits and debits	(797,857)	
Write back stale cheques	(364)	
Write off retention money	208,227	
Raising of LGSETA debtors	260,119	
Correction of creditor for road scrapping	(35,782)	
Write back of VGK Cansbaal land sales debtor	(2,500)	
Correction of interest paid on DBSA external loan	12,512	
Correction of interest on RMB/Momentum investment for sinking fund	(3,640,873)	
Correction of interest received from New Republic Bank (NRB)	64,612	
Correction of unreconciled deposits	1,285,311	
Correction of deferred income provision	42,259	
Correction of deposits received	86,374	
Correction of unspent grants	11,935,202	
Correction of MilG debtor	750,000	
Correction of store stock	6,624	
Raising of gratification creditor	(566,360)	
Correction of operating lease	(440,498)	
Correction of telephone, plot and debt recovery and insurance	(58,995)	
Correction of medical contribution	(238)	
Prior year adjustments	9,087,143	

Increase in surplus for the year 30 June 2009 22,806,750 7,191,057 29,997,807

Net Assets and Liabilities as at 30 June 2009

Previously reported 2009	Amount of correction 2009	Restated 2009
2,624,033,994	148,346,602	2,772,380,596
Net assets		
Housing Development Fund	-	3,328,676
Revaluation reserve	49,602,000	315,176,077
Accumulated Surplus/(Deficit)	98,744,602	2,453,875,843
Non-current liabilities		
179,741,947	545,311	180,287,258
Long-term liabilities	(21,049)	103,132,935
Post-retirement medical aid benefits obligation	-	52,453,742
Other non-current provisions	566,360	24,700,581
Current liabilities		
159,616,314	(20,583,703)	139,032,611
Consumer deposits	-	11,379,540
Provisions	-	1,952,424
Trade and other payables	(2,147,969)	98,649,007
Unspent conditional grants and receipts	(18,435,734)	2,894,370
Operating lease liability	-	-
Current portion of Post-retirement medical aid benefits obligation	-	1,064,897
Current portion of long-term liabilities	-	23,092,373
2,963,392,255	128,308,210	3,091,700,465
Total Net Assets and Liabilities		

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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2. Changes in accounting policy and prior period errors (continued)

ASSETS		
Non-current assets	2,831,158,540	126,889,808
Property, plant and equipment	2,766,951,519	132,208,401
Intangible Assets	2,360,000	-
Investment property	47,481,200	(140,000)
Other financial assets	14,051,614	(5,176,093)
Long-term receivables	314,207	(2,500)
Current assets	132,233,715	1,418,403
Inventory	4,537,951	33,415
Consumer debtors	37,391,968	(891,278)
Trade and other receivables	39,799,049	2,672,200
Operating lease receivable	1,150,927	(395,934)
Current portion of long-term receivables	110,099	-
VAT	18,532,823	-
Non-current assets held for sale	18,851,000	-
Cash and cash equivalents	11,859,898	-
Total Assets	2,963,392,255	128,308,210
Surplus/(Deficit) for the year	22,806,750	7,191,057

3. Inventories

Stores and materials	4,327,596	4,524,868
Water	352,099	111,478

Inventories (write-downs)	4,679,695	4,636,346
	(44,893)	(64,979)

	4,634,802	4,571,367
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4. Other financial assets

Amounts recognised as expenditure during the period R4,881,875.41 (2009/2010) and R4,367,867.38 (2008/2009).

Held to maturity	2,631,821	2,631,821
New Republic Bank	-	-

The bank is under receivership since October 1999. Interest only accrued till 31 December 2007. There is no guarantee that the municipality will receive the full value of the investment. During the previous year, a dividend of R0.45 on the original capital still outstanding has been received. This brings the total payout to 89% of the original investment. Due to the fact that the majority of the debt still to be collected, by the receivers, involve some form of legal action, it is not possible to determine a date as to when the liquidation process will be completed. Management is unable to make a reliable estimate of the value of the potential impairment as at 30 June 2010, as insufficient information was available.

ABSA bank call account	10,000,000	-
Rand Merchant bank/Momentum	-	6,178,541
Policy backed loan structure. The investment was redeemed during the year.	-	-

Eskom	-	65,159
Long term investments in lieu of consumer deposits. The investment was redeemed during the year	12,631,821	8,875,521

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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4. Other financial assets (continued)

Non-current assets	
Held to maturity	2,631,821
	8,875,521
Current assets	
Held to maturity	10,000,000
	12,631,821
	8,875,521

In determining the recoverability of other financial assets, the Overstrand Municipality considers any change in the credit quality of the other financial assets from the date the credit was initially granted up to the reporting date.

5. Operating lease asset / (accrual)

Current assets	744,064
	744,064
	754,993

6. Trade and other receivables from exchange transactions

Trade debtors	16,857,139
Deposits	107,022
Control accounts - sundry	13,443,958
	23,427,722
	18,986,233
	42,520,977

In determining the recoverability of trade and other receivables, the Overstrand Municipality considers any change in the credit quality of the trade and other receivable from the date the credit was initially granted up to the reporting date.

7. Other receivables from non-exchange transactions, including taxes and transfers

VAT	15,633,554
	18,532,823

In determining the recoverability of other receivables, the Overstrand Municipality considers any change in the credit quality of the other receivable from the date the credit was initially granted up to the reporting date.

8. Consumer debtors

Gross balances	
Government	1,680,187
Business	7,575,369
Individual	49,399,433
	58,654,989
Less: Provision for bad debts	
Government	(1,285,828)
Business	(22,263,302)
Individual	(23,549,130)
	(23,549,130)
	(15,934,444)
	52,435,134
	1,915,027
	6,348,528
	44,171,579
	52,435,134

Net balance	
Government	1,680,187
Business	6,289,541
Individual	27,136,131
	35,105,859
	1,915,027
	5,609,536
	28,976,127
	36,500,690

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

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8. Consumer debtors (continued)

Government	
Current (0 - 30 days)	137,126
31 - 60 days	67,811
61 - 90 days	58,621
91 - 120 days	25,992
+ 120 Days	1,390,637
	<u>1,680,187</u>
	1,915,027

Business

Current (0 - 30 days)	6,078,964
31 - 60 days	52,183
61 - 90 days	41,174
91 - 120 days	14,851
+ 120 Days	102,369
	<u>6,289,541</u>
	5,609,536

Individual

Current (0 - 30 days)	14,168,034
31 - 60 days	2,611,213
61 - 90 days	590,720
91 - 120 days	458,562
+ 120 Days	9,307,602
	<u>27,136,131</u>
	28,976,127

Reconciliation of bad debt provision

Balance at beginning of the year	15,934,444
Contributions to provision	9,507,273
Bad debts written off against provision	(1,892,588)
	<u>23,549,129</u>
	15,934,444

In determining the recoverability of consumer debtors, the Overstrand Municipality considers any change in the credit quality of the consumer debtor from the date the credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes no further credit provisions are required in excess of the present allowance for doubtful debts.

9. Long term receivables

Non - Current Portion	
Land sales	12,324
Officials: Study loans	-
Officials: Bursary fund	-
Housing selling scheme loans	19,459
Sport clubs	142,210
	<u>173,993</u>
	19,776

Current Portion	
Officials: Car loans	-
Officials: Study loans	5,300
Housing selling scheme loans	713
Sport clubs	25,350
	<u>31,363</u>
	110,099

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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9. Long term receivables (continued)

Total	
Long term receivables- Non-current portion	173,993
Long term receivables - Current portion	31,363
	<u>205,356</u>
	311,407
	<u>110,099</u>
	<u>421,506</u>

In determining the recoverability of long term receivables, the Overstrand Municipality considers any change in the credit quality of the long term receivables from the date the credit was initially granted up to the reporting date.

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	
Bank balances	15,000
	<u>19,608,308</u>
	15,420
	<u>11,844,478</u>
	<u>11,859,898</u>

The municipality had the following bank accounts

Account number / description	Bank statement balances	Cash book balances
ABSA BANK Account Type - 322 000 035 (Hermannus Primary Bank Account)	June 30, 2010 27,921,943 June 30, 2009 10,435,754 June 30, 2008 48,300,352	June 30, 2010 11,714,681 June 30, 2009 166,616,889 June 30, 2008 19,025,442
ABSA BANK Account Type - 322 017 0240 (Gansbaai)	-	-
ABSA BANK Account Type - 405 835 6861 (Hangklip-Kleinmond)	4,851	26,969
ABSA BANK Account Type - 405 589 9787 (Onrus Caravan Park)	5,382	3,897
ABSA BANK Account Type - 405 642 0921 (Traffic Department)	60,428	18,275
ABSA BANK Account Type - 406 657 8021 (Debtors Accounts)	788,925	297,744
ABSA BANK Account Type - 407 298 3157 (GB Sport Centre)	262,950	282,774
Cash on hand in floats	-	15,000
Total	29,039,628	11,859,899

11. Investment property

Investment property	2010	2009
Cost / Accumulated depreciation	66,837,900	-
Carrying value	47,341,200	47,341,200
Cost / Accumulated depreciation	-	-
Carrying value	47,341,200	47,341,200

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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11. Investment property (continued)

Reconciliation of investment property - 2010

Investment property	Opening Fair value	Balance adjustments	Total
	47,341,200	19,496,700	66,837,900

Reconciliation of investment property - 2009

Investment property	Opening Balance	Transfers	Total
	-	47,341,200	47,341,200

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Revenue earned on investment properties for the 2009/10 financial year was R401,758 (2008/09: R348,940).

All transfers to investment Property was from owner-occupied property.

12. Property, plant and equipment

	2010	2009	
Cost / Valuation	Accumulated depreciation	Carrying value	
Buildings	121,213,425	(5,319,888)	115,893,537
Community	94,385,164	(26,149,827)	68,235,337
Heritage	66,228,309	-	66,228,308
Infrastructure	4,670,353,739	(2,400,834,309)	2,269,519,430
Land	357,445,177	-	357,445,177
Other assets	56,681,526	(21,360,043)	35,321,483
Total	5,366,307,340	(2,453,664,067)	2,912,643,273
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			2,912,643,273
			5,366,307,3

Reconciliation of property, plant and equipment - 2010

	Opening Balance	Additions	Disposals	Under Construction	Transfers	Depreciation	Total
Buildings	115,829,300	5,534,125	-	-	(140,000)	(5,329,888)	115,893,537
Community	72,636,616	127,234	-	-	-	(4,528,513)	68,235,337
Heritage	66,228,308	-	-	-	-	-	66,228,308
Infrastructure	2,252,995,199	69,188,094	(348,835)	31,249,708	-	(83,564,736)	2,269,519,430
Land	350,071,400	7,437,905	-	-	-	-	357,445,177
Other assets	41,399,098	1,772,473	(132,935)	-	-	(7,717,153)	35,321,483
Total	2,899,159,921	84,059,831	(481,770)	31,249,708	(204,128)	(101,140,290)	2,912,643,272

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

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12. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2009

Opening Balance	Additions	Under Construction	Revaluations	Depreciation	Total
66,960,536	7,881,394	616,419	43,413,963	(3,043,012)	115,829,300
14,113,207	932,676	-	58,292,850	(702,117)	72,636,616
1,088,522	-	-	65,139,786	-	66,228,308
352,426,295	103,566,811	46,099,390	1,775,794,552	(24,891,849)	2,252,995,199
34,895,323	-	-	315,176,077	-	350,071,400
31,544,479	14,924,031	173,248	265,787	(5,508,447)	41,399,098
501,028,362	127,304,912	46,889,057	2,258,083,015	(34,145,425)	2,899,159,921

Land and buildings are re-valued independently every 4 years. The last revaluation was done on June 30, 2009 and was performed by Boland Valuers, independent valuers and not connected to the municipality.

These assumptions were based on current market conditions.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

13. Intangible assets

2010	2009
Cost / Accumulated amortisation	Cost / Accumulated amortisation
Carrying value	Carrying value
Valuation	Valuation
Computer software, other	Computer software, other
Total	Total
2,360,000	2,360,000
684,725	(465,030)
(467,448)	2,360,000
2,577,277	2,360,000
2,825,030	(465,030)
3,044,725	2,360,000

Reconciliation of intangible assets - 2010

Opening Balance	Additions	Amortisation	Total
2,360,000	-	-	2,360,000
-	219,695	(2,418)	217,277
2,360,000	219,695	(2,418)	2,577,277

Reconciliation of intangible assets - 2009

Opening Balance	Total
2,360,000	2,360,000

Overstrand Municipality

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14. Non-current assets held for sale

Assets meeting the definition and recognition criteria of non-current assets held for sale are reclassified and measured in accordance with GRAP 100 requirements.

ERF NO.11006 portion of erf 774 - Station Site
Council approved the rezoning of erf 774 to General business zone. It was sold to Shoprite Checkers (PTY) LTD for R17 000 000 for further development. Transfer is expected during 2011.

ERF NO. 6408 - Kleinmond Service Yard
Council decided to sell this property as it was under-utilised and ideal location for the extension for the central business area of Kleinmond. It was sold to Danmarrest (PTY) LTD for R4 617 000 and transfer is expected during 2011.

ERF NO. 6830 - Hermanus
Council decided to sell this property for the purposes of consolidating it with an adjacent erf. It was sold to HN De Villiers for R5 000 and transfer is expected during 2011.

ERF NO. 7288 - Community
Council decided to sell this property to SOFCA. Transfer is expected during 2011.

ERF NO. 11000 portion of erf 243 - Hermanus
Council decided to sell this property to Abalone farm, Abagold. Transfer is expected during 2011.

ERF NO. 11138 portion of erf 243 - Hermanus
Council resolved to sell the property on 1 September 2009. It was sold to The United Church on 22 February 2010. Transfer took place in August 2010.

Non-current assets held for sale comprises the following:

16,800,000	16,800,000
2,050,000	2,050,000
1,000	1,000
-	50,000
-	37,129
-	360,509
18,851,000	19,298,638

15. Other financial liabilities

Held at amortised cost		
Annuity loans	180,753,189	126,225,308
Non-current liabilities		
At amortised cost	171,488,108	103,132,935
Current liabilities		
At amortised cost	9,265,081	23,092,373
	180,753,189	126,225,308

The fair values of the financial liabilities were determined as follows:

a) The management of the municipality is of the opinion that the carrying value of Financial Assets and Financial Liabilities recorded at amortised cost in the Annual Financial Statements approximate their fair values. The fair value of Financial Assets and Financial Liabilities were determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties as well as the current payment ratio's of the municipality's debtors.

b) At the reporting date there are no significant concentrations of credit risk for Loans and Receivables at Fair Value. The carrying amount reflected above represents the municipality's maximum exposure to credit risk for such loans and receivables.

Refer to page 58 for maturity analysis of financial liabilities.

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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2010	2009
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16. Trade and other payables from exchange transactions

Trade payables	33,220,050	64,763,891
Retention money	8,402,873	8,347,362
Prepaid vending	-	308,173
Payments received in advance	3,955,665	3,396,747
Other payables	4,675,006	2,189,316
Deposits received	268,429	333,240
Deferred income	212,848	182,411
Control account - sundry	9,982,319	7,365,490
Control account - salaries	58,755	48,600
Builders' deposits	6,522,236	6,083,093
Accrued leave pay	6,242,589	5,680,119
	<u>73,540,770</u>	<u>98,698,442</u>

17. Consumer deposits

Services	13,893,478	11,379,540
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18. Retirement benefits

Defined benefit plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas;
- LA Health;
- Prosano;
- Samwumbe; and
- Keyhealth.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2010 by Mr DR Poane, Fellow of the Actuarial Society of South Africa, including projections for the 2011 and 2012 financial periods. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The members of the Post-employment Health Care Benefit Plan are made up as follows:

In-service Members (Employees)	378
Continuation Members (Retirees, widowers and orphans)	66
Total Members	<u>444</u>

Carrying value

Present value of the defined benefit obligation-wholly unfunded

Non-current liabilities	(54,827,128)	(52,453,742)
Current liabilities	(1,759,872)	(1,064,897)
	<u>(56,587,000)</u>	<u>(53,518,639)</u>

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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18. Retirement benefits (continued)

Movements for the year

Opening balance	53,518,639	47,582,639
Net expense recognised in the statement of financial performance	3,068,361	5,936,000
	<u>56,587,000</u>	<u>53,518,639</u>

Net expense recognised in the statement of financial performance

Current service cost	3,872,000	3,129,292
Interest cost	4,428,000	3,806,611
Benefits paid	(1,603,000)	(999,903)
Actuarial gain/(loss)	(3,628,639)	-
	<u>3,068,361</u>	<u>5,936,000</u>

Contributions expected to be paid:
Contributions paid

1,519,169	1,560,129
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Key assumptions used

Assumptions used on last valuation on Wednesday, June 30, 2010.

Discount rates used	8.25 %	8.00 %
Health care cost inflation rate	6.75 %	6.50 %
Net effective discounted rate	1.41 %	1.41 %

Management assessed the assumptions used and found it to be adequate.

The effect of an increase of 1% in the assumed medical cost trend rates:	7,283,250	7,000,621
Aggregate current service and interest costs	49,658,000	53,583,357
Accumulated post-employment benefit obligation		

The effect of a decrease of 1% in the assumed medical cost trend rates:	9,565,750	6,871,185
Aggregate current service and interest costs	65,214,000	53,453,921
Accumulated post-employment benefit obligation		

Amounts for the current and previous 4 years of the present value of the defined benefit obligation:

2010	56,587,000
2009	53,518,638
2008	47,582,639
2007	42,244,466
2006	37,623,678

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all its employees. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.

The municipality is under no obligation to cover any unfunded benefits.

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

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19. Unspent conditional grants and receipts

Government grants:

Provincial Administration Western Cape - grants	-	7,037
Financial management grant	-	820,157
National Treasury - Municipal system improvement grant	-	2,902
Provincial Treasury - Housing consumer education.	-	185,433
Provincial Treasury - Multi purpose centre (Hawston)	-	78,016
	204,888	1,093,545

Conditional receipts:

Hawston housing contribution	-	116,534
Cleanest town competition	21,586	56,576
VUNA awards competition	394,109	594,089
ABSA mentorship (Grey power)	50,000	30,000
Spaces for sport	252,599	247,768
Cape Town routes unlimited	200,000	-
World wildlife fund - Table mountain fund grant	231,814	-
OLEDA - IDC grant for interns	144,000	-
CSIR - Housing grant	173,420	-
Kleinmond 410 project - Participation fees	6,600	-
Infrastructure contribution - storm water	-	24,612
Infrastructure contribution - Sandbaal erf	-	731,245
Overberg District Municipality - Whale coast signage	243,000	-
	1,717,128	1,800,824

Movement during the year

Balance at the beginning of the year	2,894,370	5,019,966
Additions during the year	35,789,988	29,781,119
Income recognition during the year	(36,671,608)	(24,828,472)
Transfer to debtors	(90,734)	(7,078,243)
	1,922,016	2,894,370

The nature and extent of government grants recognised in the financial statements and an indication of other forms of government assistance from which the entity has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

20. Provisions

Reconciliation of provisions - 2010

Opening Balance	22,025,498	(3,030,073)	-	18,995,425
Rehabilitation of tip sites	3,385,533	3,214,467	-	6,600,000
Clearing out of alien vegetation	675,614	3,629,386	-	4,305,000
Long service bonuses	566,360	-	(57,686)	508,674
Gratification payable	26,653,005	3,813,780	(57,686)	30,409,099
	26,653,005	3,813,780	(57,686)	30,409,099

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

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2010	2009
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20. Provisions (continued)

Reconciliation of provisions - 2009

Opening Balance	Adjustments	Utilised during the year	Total
11,031,931	11,515,779	(522,212)	22,025,498
4,380,000	-	(994,467)	3,385,533
592,183	83,431	-	675,614
623,710	-	(57,350)	566,360
4,267,000	(1,915,999)	(2,351,001)	-
20,894,824	9,683,211	(3,925,030)	26,653,005

Rehabilitation of tip sites
Clearing out of alien vegetation
Long service bonuses
Gratification payable
Cleaning up of illegal dumping

Non-current liabilities
Current liabilities

25,917,467	4,491,632	30,409,099
24,700,581	1,952,424	26,653,005

Rehabilitation of tip sites:
The costs to rehabilitate all identified sites in the Overstrand is estimated at R18,995,425.

Clearing out of alien vegetation:
Approx. 20% of a total area of 26 154ha must be cleared during the next five years and the estimated cost amounts to R6.6m.

Long service provision:
Post retirement benefits relating to long service bonuses have been provided for. An actuarial valuation has been carried out by a professional actuary as at 30 June 2010. The provision has been adjusted with the projection from the 2010 report.

21. Property Rates

Rates received

Residential and Business

121,922,911	116,200,501
-------------	-------------

22. Service charges

Sale of electricity
Sale of water
Refuse removal
Sewerage and sanitation charges

148,216,320	113,486,842
75,032,548	53,852,917
33,224,600	31,512,376
36,160,168	32,056,044
292,633,636	230,908,179

Notes to the Financial Statements

Figures in Rand

23. Government grants and subsidies

National Equitable share	22,452,206	56,652,174	44,098,257
National FMG grant	1,570,157	884,531	20,894,239
Municipal Systems Improvement grant (MSIG)	402,902	397,098	16,000
Provincial Library grant	556,000	505,419	14,188,000
Provincial Proclaimed Roads Maintenance grant	-	16,000	9,459,015
Provincial MIG funds	9,459,015	14,188,000	5,416,114
Provincial Social Housing Projects grant	17,722,670	5,416,114	616,419
Provincial Multi Purpose Centre grant	78,016	616,419	1,031,470
DWAF Masibambane project grant	-	1,031,470	96,000
Provincial Community Development Workers grant	96,000	96,000	-
National INEP grant	1,921,000	1,921,000	52,967
Provincial Housing Consumer Education	130,545	130,545	-
National Neighbourhood Development Partners grant	2,263,663	2,263,663	56,652,174

Unconditional grants: National - Equitable share

In terms of the constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy based on the basic service charges for water, electricity, sewerage, refuse and 6kl free basic water and 50kw unit of electricity (2009: same principal applied), which is funded from this grant.

Conditional grants: National - FMG grant

Balance unspent at beginning of year	820,157	1,204,688
Current year receipts	750,000	500,000
Conditions met - transferred to revenue	(1,570,157)	(884,531)
Conditions still to be met - transferred to liabilities (see note 19)	-	820,157

Conditional grants: National - MSIG

Balance unspent at beginning of year	2,902	-
Current year receipts	400,000	(397,098)
Conditions met - transferred to revenue	(402,902)	2,902
Conditions still to be met - transferred to liabilities (see note 19)	-	2,902

Conditional grants: Provincial - Library

Current year receipts	556,000	505,419
Conditions met - transferred to revenue	(556,000)	(505,419)
Conditions still to be met - transferred to liabilities (see note 19)	-	-

Conditional grants: Provincial - Main road subsidy

Current year receipts	-	16,000
Conditions met - transferred to revenue	-	(16,000)
Conditions still to be met - transferred to liabilities (see note 19)	-	-

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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Figures in Rand

23. Government grants and subsidies (continued)

Conditional receipts: PAWC: Other grants

Balance unspent at beginning of year
Transferred to debtors

Conditions still to be met - transferred to liabilities (see note 19)

7,037	-
702,247	(7,037)
(695,210)	
7,037	

Conditional receipts: PAWC: Housing consumer education

Balance unspent at beginning of year

Current year receipts

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

185,433	204,888
88,400	(130,545)
150,000	
(52,967)	
185,433	

Conditions have been met and the money has been committed. The unspent portion will be spend during the 2010/2011 year.

Conditional grants: National - Neighbourhood Development Partners grant

Current year receipts

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

2,263,663	-
(2,263,663)	
-	
-	
-	

Conditional grants: Provincial - MIG funds

Current year receipts

Conditions met - transferred to revenue

Transferred to debtors

Conditions still to be met - transferred to liabilities (see note 19)

11,930,655	-
(9,459,015)	(2,471,640)
14,188,000	
(14,188,000)	
-	
-	

Conditional grants: National - INEP grant

Current year receipts

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

1,921,000	-
(1,921,000)	
-	
-	
-	

Conditional grants: Provincial - Social housing

Current year receipts

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

17,722,670	-
(17,722,670)	
5,416,114	
(5,416,114)	
-	

Conditional grants: Provincial - Multipurpose centre

Balance unspent at beginning of year

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

78,016	-
694,435	(78,016)
(616,419)	
78,016	

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand

23. Government grants and subsidies (continued)

Conditional receipts: DWAF: Masibimbane project

Balance unspent at beginning of year

Current year receipts

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

Conditional receipts: Community development workers

Current year receipts

Conditions met - transferred to revenue

Conditions still to be met - transferred to liabilities (see note 19)

24. Other Income

Administration charges

Admission fees received

Boat launching permits

Building plan fees

Cemetery fees

Commission received

Debtback charges

Developers contributions

Library fees received

Other income

Parking fees received

Plot clearing charges

Post office agency

Pound fees received

Private telephone calls

Provision for rehabilitation of tipsites

Reconnection fees

Remedial action fee

Roadworthy certificates

SETA claims

Swimming pool fees received

Tax liability write-off

Town planning fees received

Valuation and clearance certificates

Vehicle permits

Vehicle registration fees

25. Investment revenue

Interest revenue

Investments and loans

Consumer debtors

3,806,296	4,956,885
1,150,589	
3,334,184	5,753,469
2,419,285	

188,906	23,444,737
680,922	
416,873	
49,260	
2,366,403	
144,459	
52,894	
1,686,895	
6,500,534	
72,388	
3,567,363	
114,875	
527,848	
43,150	
12,935	
369,167	
3,030,073	
151,596	
4,356	
405,427	
575,257	
48,330	
293,542	
846,959	
385,605	
234,434	
178,615	
18,524,050	

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

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2010	2009
26. Employee related costs	
Basic	77,525,283
Bonus	5,517,513
Medical aid - company contributions	5,244,676
UIF	853,976
Other payroll levies	37,755
Leave pay provision charge	1,176,282
Post-employment benefits - Pension - Defined contribution plan	12,392,973
Overtime payments	10,913,565
Long-service bonuses	565,954
Acting allowances	578,257
Car allowance	5,240,831
Housing benefits and allowances	1,237,876
Standby allowances	1,277,739
Sundry allowances	374,209
Group life - company contributions	653,458
Full time union representative	59,140
93,549,733	123,649,487
156,843,819	
Remuneration of Municipal Manager	
Annual Remuneration	776,168
Car Allowance	60,000
Contributions to UIF, Medical and Pension Funds	212,450
Performance Bonuses	30,000
Cellphone allowance	12,825
Remuneration of director: Finance	
Annual Remuneration	802,687
Car Allowance	44,340
Contributions to UIF, Medical and Pension Funds	166,657
Performance Bonuses	66,252
Cellphone allowance	12,825
Remuneration of director: Community Services	
Annual Remuneration	434,022
Car Allowance	132,978
Computer Allowance	3,908
Contributions to UIF, Medical and Pension Funds	109,033
Performance Bonuses	16,414
Cellphone allowance	12,825

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand

26. Employee related costs (continued)

Remuneration of director: Local Economic Development

Annual Remuneration	477,597	389,223
Car Allowance	115,000	120,000
Contributions to UIF, Medical and Pension Funds	108,134	88,574
Performance Bonuses	-	19,020
	<u>700,731</u>	<u>616,817</u>
Cellphone allowance	12,825	-

Remuneration of director: Infrastructure & Planning

Annual Remuneration	695,575	513,844
Car Allowance	129,528	129,530
Computer Allowance	6,516	6,513
Contributions to UIF, Medical and Pension Funds	170,117	127,134
Performance Bonuses	74,533	22,500
	<u>1,076,269</u>	<u>799,521</u>
Cellphone allowance	12,825	-

Remuneration of director: Protection Services

Annual Remuneration	464,565	233,998
Car Allowance	120,000	70,000
Contributions to UIF, Medical and Pension Funds	119,246	60,004
Performance Bonuses	22,050	-
	<u>725,861</u>	<u>364,002</u>
Cellphone allowance	12,825	-

Remuneration of director: Management Services

Annual Remuneration	546,005	284,483
Car Allowance	72,000	80,000
Contributions to UIF, Medical and Pension Funds	147,825	79,237
Performance Bonuses	31,602	-
	<u>797,432</u>	<u>443,720</u>
Cellphone allowance	12,825	-
Acting allowance	13,821	-
	<u>26,646</u>	<u>-</u>

Remuneration of director: OLEDA

Annual Remuneration	40,417	-
Car Allowance	10,000	-
Contributions to UIF, Medical and Pension Funds	7,404	-
	<u>57,821</u>	<u>-</u>

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand		
2010	2009	
27. Remuneration of councillors		
Executive Mayor	518,696	
Deputy Executive Mayor	414,958	
Mayoral Committee Members	769,591	
Speaker	414,958	
Councillors	2,152,302	
4,529,711	4,270,505	
28. Depreciation and amortisation		
Property, plant and equipment	101,142,706	
34,145,424	34,145,424	
29. Finance costs		
Current borrowings	19,294,616	
7,526,953	7,526,953	
30. Debt impairment		
Contributions to bad debt provision	9,507,272	
4,964,544	4,964,544	
31. Bulk purchases		
Electricity	78,005,898	
59,353,373	59,353,373	
32. Contracted Services		
Specialist Services	6,318,853	
Other Contractors	8,142,303	
14,461,156	11,745,950	
33. Grants and subsidies paid		
Other subsidies	11,817,760	
Low house-hold subsidies	9,308,485	
21,126,245	21,126,245	

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand

34. General expenses

Advertising	1,053,476	1,159,447
Auditors remuneration	3,102,087	2,266,910
Bank charges	892,504	842,591
Billing charges	4,768,101	6,047,441
Chemicals	6,084,558	6,728,753
Commission paid	2,291,557	1,215,633
Conditional receipts expenses	12,249,442	7,113,444
Consulting and professional fees	911,599	1,460,381
Consumables	1,223,815	1,364,540
Debt collection	1,964,072	1,633,892
Deeds office cost	105,014	66,334
Delegate expenses	116,287	122,350
Electricity	1,592,821	1,312,394
Fuel and oil	5,880,834	6,696,119
Hermanus public protection	3,144,004	2,736,244
Hire	287,701	447,203
Improvement rebates	17,354,711	16,533,199
Insurance	2,144,885	3,523,799
Lease rentals on operating lease	1,807,060	214,365
Management of informal settlements	1,241,156	1,795,222
Municipal charges	7,016,583	4,497,151
Municipal entity contribution	-	750,000
Occupational health and safety	66,170	115,239
Other expenses	6,129,157	3,514,191
Postage and courier	584,977	1,042,965
Printing and stationery	1,369,856	1,371,272
Property valuation charges	664,098	1,774,027
Radio license fees	26,356	35,484
Rates income foregone	3,890,368	1,949,666
Reference library	441,055	238,410
Refuse/recycle bags	186,230	211,130
Security services	2,718,072	1,795,415
Solid waste chipping	1,688,668	1,258,443
Solid waste dumping fees	2,838,261	2,735,331
Solid waste haulage	1,677,326	1,645,097
Special projects	1,017,537	441,358
Staff welfare	11,537	20,368
Subscriptions and membership fees	697,279	591,963
Subsistence and transport	659,009	610,437
Sundry expenses	160,544	385,471
Telephone and fax	5,007,265	5,988,382
Tourism development	2,935,510	2,937,198
Training	1,185,102	950,717
Uniforms and protective clothing	972,652	900,602
Venue expenses	175,911	216,451
Veterinary department	414,965	548,193
Water levies	76,984	896,061
	110,827,156	100,701,283

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand	2010	2009
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35. Cash generated from operations

(Deficit) surplus before taxation	(9,881,093)	29,997,804
Adjustments for:		
Depreciation and amortisation	101,142,706	34,145,424
Deficit / (surplus) on sale of assets	(7,046,456)	331,290
Interest received	(4,956,885)	(5,753,469)
Finance costs	19,294,616	7,526,953
Fair value adjustments	(19,857,210)	-
Impairment deficit	117,000	-
Movements in operating lease assets and accruals	10,930	453,600
Movements in retirement benefit assets and liabilities	3,068,361	(1,430,230)
Movements in provisions	3,756,094	6,381,890
Landfill Sites	-	(11,515,779)
Clearing illegal dumping	-	1,915,999
Changes in working capital:		
Inventories	(63,435)	280,316
Trade and other receivables from exchange transactions	12,112,858	(20,463,731)
Consumer debtors	1,394,831	(9,892,244)
Long term receivables	110,099	255,318
Trade and other payables from exchange transactions	(25,157,672)	16,062,031
VAT	2,899,269	(5,258,960)
Unspent conditional grants and receipts	(972,354)	(14,178,297)
	<u>75,971,659</u>	<u>28,857,915</u>

36. Commitments

Authorised capital expenditure

- Already contracted for but not provided for
- Property, plant and equipment

15,782,868	9,866,604
157,445,124	161,809,089

This committed expenditure relates to Property, plant and equipment and will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated, etc.

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year
- in second to fifth year inclusive

811,130	788,505
964,358	175,853
<u>1,775,488</u>	<u>964,358</u>

Operating lease payments represent rentals payable by the municipality for certain of its office equipment. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

Operating leases – as lessor (income)

Minimum lease payments due

- within one year
- in second to fifth year inclusive
- later than five years

203,127	234,189
1,190,008	1,052,479
2,653,831	2,557,170
<u>4,046,966</u>	<u>3,843,838</u>

Certain of the municipality's properties is held to generate rental income. Lease agreements are non-cancellable and have terms from 3 to 99 years.

Notes to the Financial Statements

Figures in Rand	2010	2009
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37. Contingent liabilities

M5/ASLA:

The matter arose when M5 sought an order in the Western Cape High Court setting aside a decision of the then Acting Municipal Manager (the undersigned) reversing, on appeal, the allocation of a municipal tender to M5 and instead awarding the tender to ASLA. On 12 February 2009 Mr Justice Le Grange reviewed and set aside the then Acting Municipal Manager's decision. Leave for appeal was granted on 7 May 2009 as reasonable prospects of success existed that another Court may come to a different conclusion given the fact that some of the findings of the Judge are novel with regard to the provisions of the Local Government: Municipal Systems Act, 2000, (Act 32 of 2000). The approximate amount of the legal costs involved are R140,000.

SALA Pension Fund

SALA unilaterally decided to increase the employer's contribution to the said fund from 18,75 to 20,78% in 2003. A claim was instituted by the South African Local Authorities Pension Fund (SALA) in the Magistrate's Court for the district of Hermanus for the non-payment of increased contributions from July 2003 amounting to approximately R125,000 plus interest @ 15,5% p.a. from the date of demand.

Cape Joint Pension Fund

There was a shortfall in the annual earnings of the Cape Joint Pension Fund and the claim amount is R1, 390,581. We oppose the claim.

Municipal Councilors Pension Fund

Certain council members terminated their membership with the Municipal Councilors Pension Fund. There is a claim amount of R455,000 that the municipality has to recover from the members concerned and pay over to the fund. We are disputing the claim and have already sent out our advocate's meaning to the fund administrators.

38. Comparative figures

Certain comparative figures have been restated, see note 2 for detail information regarding these changes.

39. Risk management

Capital risk management

The municipality's objectives when managing capital are to safeguard the municipality's ability to continue as a going concern in order to provide returns for member and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the municipality consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in note 15, cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position.

Financial risk management

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Directorate: Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Notes to the Financial Statements

Figures in Rand

39. Risk management (continued)

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. No investment with a tenure exceeding twelve months shall be made without consultation with the councillor responsible for financial matters.

Consumer debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Long-term Receivables and Other Debtors are individually evaluated annually at balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to interest rate risk as the municipality borrows funds at fixed interest rates.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Credit quality of financial assets

Counter parties with external credit rating (Fitch's)
Other financial assets

F1	F3
10,000,000	6,243,700
2,631,821	2,631,821
12,631,821	8,875,521
18,857,139	18,986,233
13,550,980	23,534,744
30,408,119	42,520,977

Counter parties without external credit rating
Trade and other receivables from exchange transactions
Group 3
Group 2

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand

39. Risk management (continued)

Consumer debtors	
Group 1	Group 2
Group 3	Group 4
17,022,436	4,515,929
2,486,940	24,089,579
28,409,829	3,307,447
52,435,134	58,654,989
424,306	205,356

F1 = Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments.

F2 = Good credit quality. A satisfactory capacity for timely payment of financial commitments.

F3 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

B = Speculative. Minimal capacity for timely payment of financial commitments, plus vulnerability to near term adverse changes in the financial and economic conditions.

Group 4 = Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments.

Group 3 = Good credit quality. A satisfactory capacity for timely payment of financial commitments.

Group 2 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

Group 1 = Speculative. Minimal capacity for timely payment of financial commitments, plus vulnerability to near term adverse changes in the financial and economic conditions.

40. Additional disclosure in terms of Municipal Finance Management Act

VAT

VAT receivable

15,633,554	18,532,823
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All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at June 30, 2010:-

June 30, 2009	
Outstanding less than 90 days	Outstanding more than 90 days
R	R
1,731	1,731
2,698	-
4,429	-
1,731	1,731
2,698	2,698
4,429	4,429
Total	Total
18,532,823	18,532,823

41. Actual operating expenditure versus budgeted operating expenditure

Refer to Appendix E(1) for the comparison of actual operating expenditure versus budgeted expenditure.

42. Actual capital expenditure versus budgeted capital expenditure

Refer to Appendix E(2) for the comparison of actual capital expenditure versus budgeted expenditure.

Notes to the Financial Statements

Figures in Rand	2010	2009
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43. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2010	2009
Other financial liabilities	Other financial liabilities
180,753,189	126,246,357
Trade and other payables	Trade and other payables
73,540,770	98,698,442
Consumer deposits	Consumer deposits
13,893,478	11,379,540
Unspent conditional grants and receipts	Unspent conditional grants and receipts
1,922,016	2,894,370
Financial liabilities at amortised cost	Financial liabilities at amortised cost
180,753,189	126,246,357
Fair value	Fair value
through surplus	through surplus
or deficit - held	or deficit - held
for trading	for trading
-	-
Fair value	Fair value
through surplus	through surplus
or deficit - designated	or deficit - designated
-	-
Total	Total
270,109,453	239,218,709

Fair Value

The Fair Values of Financial Assets and Financial Liabilities are determined as follows:

- the Fair Value of Financial Assets and Financial Liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;

The management of the municipality is of the opinion that the carrying value of Financial Assets and Financial Liabilities recorded at amortised cost in the Annual Financial Statements approximate their fair values. The fair value of Financial Assets and Financial Liabilities were determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties as well as the current payment ratios of the municipality's debtors.

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand	2010	2009
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44. Operating (deficit) surplus

Operating (deficit) surplus for the year is stated after accounting for the following:

Operating lease charges	46,200	36,000
Premises		
• Contractual amounts	1,760,860	178,365
• Contractual amounts		
Equipment		
• Contractual amounts	1,807,060	214,365
(Deficit) / surplus on sale of property, plant and equipment	7,046,456	(331,290)
Impairment on property, plant and equipment	117,000	-
Depreciation and amortisation on property, plant and equipment	101,142,706	34,145,424
Employee costs	161,373,530	127,919,992
Auditors' remuneration		
Fees	3,102,087	2,266,910

46. Related parties

Relationships

Control entity of the municipality

Overstrand Local Economic Development Agency (Pty) Ltd (OLEDA) is a 100% wholly owned entity controlled by Overstrand Municipality.

Related party balances

Related party transactions

Subsidies paid to

Overstrand Local Economic Development Agency (Pty) Ltd (OLEDA)

- 750,000

A grant was paid to OLEDA in order to perform its functions with regard to the promotion of local economic development in the Overstrand in accordance with Overstrand Municipality's Integrated Development Plan.

Income received on behalf of entity

Overstrand Local Economic Development Agency (Pty) Ltd (OLEDA)

- (144,000)

The municipality received money from OLEDA for their intern salaries.

A decision was made where they decided that Overstrand Local Economic Development Agency (Pty) Ltd should be dissolved and incorporated into the municipality as a department as of 31 May 2010.

47. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government Gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the council and includes an additional schedule to this note to the financial statements.

Refer to page 51 for the supply chain management deviations.

Overstrand Municipality

Financial Statements for the year ended June 30, 2010

Notes to the Financial Statements

Figures in Rand

48. Irregular expenditure	
Opening balance	3,268,855
Legal costs	904,346
Management of informal settlements	1,051,928
Personnel as directors of suppliers	4,175
Procurement quotes	2,000
Short advertisement period	12,539,148
Approved by council	(17,753,025)
	17,427
	3,268,855

Expenditure was not incurred in accordance with the supply chain management policy.

The irregular expenditure for legal costs and management of informal settlement costs was resolved to be written off by the ordinary meeting of the council on 29 July 2010.

Expenditure was condoned in accordance with Overstrand municipality's supply chain management policy.

49. Fruitless and wasteful expenditure

Reconciliation	
Opening balance	5,718
Fruitless and wasteful expenditure	356,250
Recovered / approved by council	(185,718)
	176,250
	5,718

Incident

Disciplinary steps/criminal proceedings

Payment to fraudulent bank account (2009)
Referred to oversight committee for investigation. Recovered from responsible party.

Erroneous payment made to supplier (2010)
Steps taken to recover funds.

50. Housing development fund

The housing development fund was established according to the Housing Act, 1997.

The balance consists solely of extinguished loans received from the national housing board in accordance with the Housing Act, 1997.

Opening balance	3,328,676
Transfer to fund	(1,410,273)
	1,918,403
	3,328,676

51. Multi-employer retirement benefit information

Overstrand Municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes.

All councillors belong to the Pension Fund for Municipal Councilors.

Employees belong to a variety of approved Pension and Provident Funds as described below.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes. All of these afore-mentioned funds are multi-employer plans and are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

Notes to the Financial Statements

Figures in Rand

2010
2009

51. Multi-employer retirement benefit information (continued)

Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:-

- The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.
- One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.
- The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.

It is therefore seen that each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of R6,2 million (2009: R5,6 million) represents contributions payable to these plans by the municipality at rates specified in the rules of the plans. These contributions have been expensed.

The Retirement Funds have been valued by making use of the Discounted Cash Flow method of valuation.

DEFINED BENEFIT SCHEMES

Cape Joint Pension Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009. The statutory valuation performed as at 30 June 2009 revealed that the fund had a surplus of R0,0 (30 June 2008: R182,7) million, with a funding level of 100,0% (30 June 2008: 106,5%) and a solvency reserve with a closing balance of R200,6 (30 June 2008: R0,0) million. The contribution rate paid by the members (9,00%) and the municipalities (18,00%) is less than the recommended contribution rate of 32,1%.

Government Employees Pension Fund (GEPF):

The scheme is subject to an tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2006. The statutory valuation performed as at 30 June 2006 revealed that the fund had a surplus of R0,0 (30 June 2004: R-12,78) million, with a funding level of 100,0% (30 June 2004: 96,5%). The contribution rate paid by the members (7,00%) and the municipalities (13,00%) is sufficient to fund the benefits accruing from the fund in the future.

South African Local Authorities Pension Fund (SALA):

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 1 July 2007. The statutory valuation performed as at 1 July 2007 revealed that the fund had a surplus of 558,4 (1 July 2006: R286,0) million, with a funding level of 110% (1 July 2006: 106%). The contribution rate paid by the members (7,50% to 9,00%) and the municipalities (15,00% to 20,80%) is sufficient to fund the benefits accruing from the fund in the future.

Local Government Pension Fund:

No details could be provided for the fund and of any valuation performed.

A contribution rate is paid by the members (7,50%) and municipalities (between 15% and 22%).

DEFINED CONTRIBUTION SCHEMES

Cape Joint Pension Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009. The statutory valuation performed as at 30 June 2009 revealed that the investment reserve of the fund amounted to R1 171 (30 June 2008: R12 033) million, with a funding level of 100,3% (30 June 2008: 103,3%). The contribution rate paid by the members (9,00%) and the municipalities (18,00%) is sufficient to fund the benefits accruing from the fund in the future.

Cape Joint Retirement Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009.

Notes to the Financial Statements

Figures in Rand

2010 2009

51. Multi-employer retirement benefit information (continued)

The statutory valuation performed as at 30 June 2009 revealed that the assets of the fund amounted to R6 842 (30 June 2008: R6 675) million, with funding levels of 100,8% and 131,9% (30 June 2008: 101,1% and 112,2%) for the Share Account and the Pensions Account respectively. The contribution rate paid by the members (9,00%) and the municipalities (18,00%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Councilors Pension Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2006.

The statutory valuation performed as at 30 June 2006 revealed that the fund had a funding ratio of 106,5%. The contribution rate paid by the members (13,75%) and Council (15,00%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Gratuity Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009.

The valuation performed as at 30 June 2009 revealed that the market value of the fund was R8 248,8 (30 June 2008: R8 104,4) billion. The contribution rate payable is 7,50% by the member and 22,00% by the employer. The fund was certified to be in sound financial condition as at 30 June 2007.

National Fund for Municipal Workers:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 1 July 2008.

The statutory valuation performed as at 1 July 2008 revealed that the fund had a deficit of R6,3 (1 July 2007: surplus R9,5) million, with a funding level of 99,8% (1 July 2007: 100,3%). The contribution rate paid by the members (2,00% to 7,00%) and the municipalities (2,00% to 7,00%) is sufficient to fund the benefits accruing from the fund in the future, and the actuary was satisfied that the fund will continue to be able meet its liabilities.

South African Municipal Workers Union National Provident Fund:

The scheme is subject to an tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2005. The statutory valuation performed as at 30 June 2005 revealed that the fund had a funding ratio of 100,0% (30 June 2002: 100,0%). The contribution rate paid by the members (not less than 5,00%) and Council (not less than 12,00%) is sufficient to fund the benefits accruing from the fund in the future.

Liberty Life Pension Fund:

No details could be provided for the fund and of any valuation performed.

SANLAM Annuity Fund:

No details could be provided for the fund and of any valuation performed.

SANLAM Retirement Fund:

No details could be provided for the fund and of any valuation performed.

None of the above mentioned plans are State Plans. Additional text

52. Statement of comparative information

Refer to page 49 for the statement of comparative information.

53. Use of municipal funds to buy 2010 FIFA World Cup tickets and T-shirts

No municipal funds have been used to purchase 2010 FIFA World Cup tickets and T-shirts for councillors, their spouses, and/or municipal officials of Overstrand Municipality.

Notes to the Financial Statements

Figures in Rand		2010	2009
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54. Distribution losses

Electricity	2010	Rand value	9,195,433
		% loss	27.43%
	2009	Rand value	4,480,480
		% loss	27.25%

Material water losses to the amount of R9 195 433 (27.43%) were incurred as a result of unmetered connections, ageing pipeline infrastructure, burst pipes, old reticulation networks and other leakages as well as unmetered consumers in the municipality like fire and parks services. Alien vegetation infestation in watercourses and catchment areas is also a contributing factor.

Electricity losses amounting to R5 230 268 (9.3%) that were also incurred. This is as a result of technical losses caused by the nature of electricity and the manner of its distribution, via the network, status/condition and age of the network, weather conditions, and load on the system, as well as non-technical losses such as theft and vandalism.

55. Investigations

There are possible fraudulent claims in respect of the Working for Water project carried out on behalf of the Department of Water Affairs and Forestry. There is alleged negligence and breach of fiduciary duties by the water services manager resulting in potential fruitless and wasteful expenditure of R4 million.

OVERSTRAND MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

52. Statement of comparative and actual information

2010									
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of MFMA)	Virement R000 (i.t.o. council approved policy)	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
Financial Performance									
Property rates	120,829,900	-	-	120,829,900	121,922,911	-	1,093,011	101%	101%
Service charges	293,754,590	-	-	293,754,590	292,633,636	-	(1,120,954)	100%	100%
Investment Revenue	19,932,000	(14,330,825)	-	5,601,175	4,956,885	-	(644,290)	88%	25%
Transfers recognised - Operational	37,120,880	2,841,663	-	39,962,543	34,890,929	-	(5,071,614)	87%	94%
Other own revenue	48,237,655	(7,756,634)	-	40,481,021	42,522,180	-	2,041,159	105%	88%
Total Revenue (excl. capital transfers and contributions)	519,875,025	(19,245,796)	-	500,629,229	496,926,541	-	(3,702,688)	99%	96%
Employee costs	154,736,840	84,650	-	154,821,490	156,843,819	-	2,022,329	101%	101%
Remuneration of councillors	4,821,810	(226,270)	-	4,595,540	4,529,711	-	(65,829)	99%	94%
Debt impairment	2,000,000	-	-	2,000,000	9,507,272	-	7,507,272	475%	475%
Depreciation & asset impairment	36,348,990	72,401,531	-	108,750,521	101,259,706	-	(7,490,815)	93%	279%
Finance charges	21,375,813	(4,895,542)	-	16,480,271	19,294,616	-	2,814,345	117%	90%
Bulk purchases	81,800,080	(515,080)	-	81,285,000	78,005,898	-	(3,279,102)	96%	95%
Transfers and grants	14,000,000	-	-	14,000,000	11,817,760	-	(2,182,240)	84%	84%
Other expenditure	203,164,460	(154,398)	-	203,010,062	174,213,763	-	(28,796,299)	86%	86%
Total Expenditure	518,247,993	66,694,891	-	584,942,884	555,472,545	-	(29,470,339)	95%	107%
Surplus (Deficit)	1,627,032	(85,940,687)	-	(84,313,655)	(58,546,004)	-	25,767,651	69%	-3598%
Transfers recognised - capital	38,062,120	(13,422,222)	-	24,639,898	21,761,245	-	(2,878,653)	88%	57%
Contributions recognised - capital and contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	39,689,152	(99,362,909)	-	(59,673,757)	(36,784,759)	-	22,888,998	62%	-93%
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus (Deficit) for the year	39,689,152	(99,362,909)	-	(59,673,757)	(36,784,759)	-	22,888,998	62%	-93%

OVERSTRAND MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

52. Statement of comparative and actual information

2010									
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of MFMA)	Virement R000 (i.t.o. council approved policy)	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
Capital expenditure and funds sources									
Total capital expenditure	162,326,820	(48,377,177)	-	113,949,643	108,844,795	-	(5,104,848)	96%	67%
Transfers recognised - capital	38,062,120	(13,422,222)	-	24,639,898	21,761,245	-	(2,878,653)	88%	57%
Public contributions & donations	-	-	-	70,000,000	70,000,000	-	-	100%	100%
Borrowing	70,000,000	-	-	19,309,745	17,083,550	-	(2,226,195)	88%	31%
Internally generated funds	54,264,700	(34,954,955)	-			-			
Total Capital Funding	162,326,820	(48,377,177)	-	113,949,643	108,844,795	-	(5,104,848)	96%	67%
Cash flows									
Net cash from (used) operating	70,172,002	(4,134,615)	-	66,037,387	62,672,148	-	(3,365,239)	95%	89%
Net cash from (used) investing	(118,782,417)	-	-	(118,782,417)	(111,950,557)	-	6,831,860	94%	94%
Net cash from (used) financing	60,915,573	-	-	60,915,573	57,041,819	-	(3,873,754)	94%	94%
Cash/cash equivalents at the year end	12,305,158	(4,134,615)	-	8,170,543	7,763,410	-	(407,133)	95%	63%

OVERSTRAND MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 47: Deviations from supply chain management regulations (... continued from pg 44)

TENDERS AND QUOTATIONS DEVIATIONS FOR THE PERIOD 1 JULY 2009 TO 30 JUNE 2010

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
SC423d/2008	08/07/2009	SCM Reg 36(1)(a)(v)	Additional Security Services Omrus Caravan Park	Omrus Caravan	Andy's Low Profile	24,000.00	
SC601a/2009	15/07/2009	SCM Reg 36(1)(a)(v)	Cleaning of Ablution Facilities	Zwelthe	Noni & Sons Transport & Projects	72,250.00	
SC697/2009	03/07/2009	SCM Reg 36(1)(a)(v)	Repair enjin CEM 11348	Hermannus	Worcester Enjin Sentrum	14,650.00	
SC702/2009	08/07/2009	SCM Reg 36(1)(a)(ii)	Anti-Corruption Workshop	Overstrand	Spartan Forensic Services	19,000.00	
SC702a/2009	31/07/2009	SCM Reg 36(1)(a)(ii)	Anti-Corruption Workshop	Overstrand	Spartan Forensic Services	19,000.00	
SC706/2009	16/07/2009	SCM Reg 36(1)(a)(v)	Accommodation four Traffic Officers attending Gene Louw College	Overstrand	Silver Protea Accommodation	43,877.19	
SC707/2009	16/07/2009	SCM Reg 36(1)(a)(ii)	Training of four traffic officers at Gene Louw Traffic College	Overstrand	Gene Louw Traffic College	16,056.86	
SC716/2009	11/08/2009	SCM Reg 36(1)(a)(v)	Purchase of Bitumen	Gansbaai	Tosas (Pty) Ltd	24,600.00	
SC722/2009	14/08/2009	SCM Reg 36(1)(a)(ii)	Repairs to CEM 12879	Overstrand	Fire Raiders Cape (Pty) Ltd	53,930.23	
SC730/2009	02/09/2009	SCM Reg 36(1)(a)(v)	Promoting community based initiatives	Overstrand	Foundation	25,000.00	
SC731/2009	01/09/2009	SCM Reg 36(1)(a)(ii)	Blue flag beach registration fees	Overstrand	Wild Life & Environmental Soc	33,000.00	
SC736/2009	11/09/2009	SCM Reg 36(1)(a)(ii)	Repair to Radio's	Overstrand	Benlekor Communications	15,838.00	
SC738a/2009	15/09/2009	SCM Reg 36(1)(a)(ii)	Repair to Radio's	Overstrand	Benlekor Communications	10,374.00	
SC739/2009	11/09/2009	SCM Reg 36(1)(a)(ii)	Repairs to CEM 2869 Tata Fire Brigade	Gansbaai	Africa Truck Sales	16,478.64	
SC742/2009	23/11/2009	SCM Reg 36(1)(a)(v)	Kleinmond Stores Steel Structure	Kleinmond	J & A engineering Services	3,000.00	
SC747/2009	18/08/2009	SCM Reg 36(1)(a)(ii)	Butterworths Publishers Deedssearch	Overstrand	Lexis Nexis	12,000.00	
SC748/2009	02/10/2009	SCM Reg 36(1)(a)(v)	SILA Engineering Management Information System	Overstrand	Water Management Services cc	366,050.00	
SC758/2009	23/09/2009	SCM Reg 36(1)(a)(v)	Repairs to Omrus Main Sewage Pump Station	Hermannus	HSM (Pty) Ltd	153,641.00	
SC758/2009	12/10/2009	SCM Reg 36(1)(a)(ii)	Repairs to ABB Magflow Meters	Hermannus	Prizm Systems Ltd	49,044.00	
SC766/2009	23/10/2009	SCM Reg 36(1)(a)(v)	Repairs to pumps at Sewerage and water treatment plants	Hermannus	HM Irrigation cc	36,869.46	
SC767/2009	23/10/2009	SCM Reg 36(1)(a)(ii)	Workshop: Lifting Tackle Inspection	Overstrand	Micromega Professional Risk Solutions	33,600.00	
SC774/2009	03/11/2009	SCM Reg 36(1)(a)(v)	Upgrades EMIS System Overtime related controls	Overstrand	Water Management Services	17,662.50	
SC775/2009	03/11/2009	SCM Reg 36(1)(a)(ii)	UV Lamps for SMP 250-200-4-6kw	Kleinmond	Nine Kings CC	21,580.00	
SC776/2009	05/11/2009	SCM Reg 36(1)(a)(ii)	Repair of telemetry system	Gansbaai	Spectrum Communications	21,455.00	
SC777a/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of 2 electric motors	Hermannus	J. Schipper & Sons	15,843.44	
SC777b/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant2 x RF137A SEW Gearboxes	Hermannus	SEW Eurodrive	76,559.12	
SC777c/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of 4 electric motors	Hermannus	J. Schipper & Sons	10,539.30	
SC777d/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of Hansen gearbox	Hermannus	TGS (Transmission Gear Services Cape)	49,294.00	
SC777e/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Install Aerators	Hermannus	Water & Sanitation Services SA	15,587.74	
SC777f/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Install 4x Mixers	Hermannus	Water & Sanitation Services SA	9,980.00	
SC777g/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant/Repair Internal Pumps Preeksioel	Hermannus	Water & Sanitation Services SA	7,986.00	
SC777h/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Replace 15 KW Pump WTW	Hermannus	Water & Sanitation Services SA	26,277.50	
SC777i/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Replace & Repair Clarifier Driveheel	Hermannus	Water & Sanitation Services SA	6,371.14	
SC778/2009	23/11/2009	SCM Reg 36(1)(a)(v)	Overview of Coastal Processes i.t.o. moving dune	Bellesbaai	IM Orren	10,000.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
SC782/2009	16/11/2009	SCM Reg 36(1)(a)(ii), (v)	ProvoGraph - Class B - Voltage quality recorder	Gansbaai	CT Lab	15,000.00	
SC786/2009	16/12/2009	SCM Reg 36(1)(a)(ii)	Repairs to Heil 4000 Compactor CEM 23618	Hermanus	TransTech	23,192.20	
SC786/2009	20/11/2009	SCM Reg 36(1)(a)(i)	Fire disaster Kleinmond Overhills	Kleinmond	Overstrand Build It	60,360.96	
SC787/2009	27/11/2009	SCM Reg 32(1)(a-d)	Implementation of Basic Performance Management Process	Overstrand	Ignite Advisory Services	310,245.61	
SC788/2009	23/11/2009	SCM Reg 36(1)(a)(ii)	Vacuum pumps for Sewerage Tankers CEM 10616 CEM 4439	Hermanus & Gansbaai	BroomEngineering	44,100.00	
SC789/2009	27/11/2009	SCM Reg 36(1)(a)(v)	CEM 6395	Kleinmond	Pump Service Centre	22,806.56	
SC789/2009	10/12/2009	SCM Reg 17(1) c	Repair Sewerage Pumps	Overstrand	EnviroCare	21,240.00	
SC796/2009	11/12/2009	SCM Reg 36(1)(a)(ii)	Water Samples Blue Flag Beaches	Overstrand	PJ Technologies	25,155.00	
SC797/2009	11/12/2009	SCM Reg 36(1)(a)(ii)	Service, programming, auditing PMAx meters	Kleinmond	Pump Service Centre	44,401.09	
SC798/2009	14/12/2009	SCM Reg 36(1)(a)(i)	Repair Sewerage Pumps different sites	Hermanus	Maxal Projects	18,975.00	
SC798/2009	14/12/2009	SCM Reg 36(1)(a)(ii)	Repair Alum flocculation dosing station and chlorine	Hermanus	Lateral Dynamics	90,000.00	
SC799/2009	15/12/2009	SCM Reg 36(1)(a)(ii)	Groupwise Client for Collaborator	Hermanus	HSM (PTY) Ltd	41,085.00	
SC800/2009	15/12/2009	SCM Reg 36(1)(a)(i)	Repair of sludge return sewage pump VWTW	Hermanus	HSM (PTY) Ltd	34,951.00	
SC801/2009	17/12/2009	SCM Reg 36(1)(a)(v)	Repair ultraviolet installation Kleinmond Sewerage Plant	Kleinmond	Nine Kings (Pty) Ltd	44,043.32	
SC802/2009	17/12/2009	SCM Reg 36(1)(a)(v)	Repairs to Stamford Waste Water Treatment Plant	Stamford	G W Trautmann cc	25,988.33	
SC866b/2007	28/12/2009	SCM Reg 36(1)(a) (v)	Repairs to door-scanners	Overstrand	Super Vision (Pty) Ltd	48,000.00	
SC266b/2008	24/1/2009	ExemptionSC266/2008	Bulk SMS Tool	Overstrand	CQS Technology Holdings (Pty) Ltd	20,000.00	
SC523a/2008	23/03/2010	SCM Reg 36(1)(a)(v)	Upgrade of Pro-Audit Advisor, Training	Overstrand	Quantec Research Pty Ltd	17,544.45	
SC556a/2009	24/02/2010	SCM Reg 36(1)(a)(v)	Socio-Economic data licence	Overstrand	Peter Starke Civils cc	65,403.80	
SC708b/2009	17/03/2010	Exemption SC708/2009	Construction of Sewer Pipeline in Kleinmond	Kleinmond	LCSley & CJBierman	1,831,208.70	
SC710/2009	24/07/2009	Sale Agreement	Purchase of erf 730 Hermanus	Hermanus			
SC711/2009	27/07/2009	SCM Reg 36(1)(a)(v)	Project Admin Kleinmond Harbour Development	Kleinmond	Taylor v Rensburg v d Spuy Trust	80,516.92	
SC712/2009	06/07/2009	SCM Reg 36(1)(a)(i)	Fire Disaster 2 Aug 09 Overhills Kleinmond	Kleinmond	Overstrand Build It (Pty)Ltd	54,258.90	
SC716a/2009	05/03/2010	SCM Reg 36(1)(a)(v)	Purchase of Blumen	Gansbaai	Tosas (Pty) Ltd	25,550.00	
SC744a/2009	05/02/2010	SCM Reg 36(1)(a)(v)	Lifesaving Services (Kleinmond Lagoon)	Kleinmond	Nasionale See & Sand Instituut	16,105.26	
SC777/2009	18/03/2010	SCM Reg 36(1)(a)(v)	Waste Water Treatment Plant 4 x Mixer Gearboxes & Repairs	Hermanus	Water & Sanitation Services SA	106,860.37	
SC777k/2009	23/03/2010	SCM Reg 36(1)(a)(v)	Rebuild Lime Dosing Pump no2 at Hermanus WTW	Hermanus	Water & Sanitation Services SA	35,069.25	
SC777m/2009	23/03/2010	SCM Reg 36(1)(a)(v)	Emergency Repairs to Lime Dosing pump Hermanus WTW	Hermanus	Water & Sanitation Services SA	7,854.50	
SC777m/2009	23/03/2010	SCM Reg 36(1)(a)(v)	Repair Pumps of WTW after flood	Hermanus	Water & Sanitation Services SA	19,536.75	
SC806/2009	06/01/2010	SCM Reg 36(1)(a)(ii)	Rope rescue training	Overstrand	Hi-angle Rescue & Access	29,700.00	
SC810/2010	19/01/2010	SCM Reg 36(1)(a)(ii)	Calibration of vehicle testing equipment	Overstrand	Clifford Technical Services	7,149.12	
SC816/2010	15/01/2010	SCM Reg 36(1)(a)(ii)	Chlorination of vehicle testing equipment	Hermanus	Maxal Projects	15,683.90	
SC817/2010	29/01/2010	SCM Reg 36(1)(a) (v)	Water Management System Booster Pump Upgrade	Overstrand	Water Management Services CC	389,000.00	
SC819/2010	04/02/2010	SCM Reg 36(1)(a)(v)	Repair Sludge Return Valve	Hermanus	HSM (PTY) Ltd	38,265.00	
SC820/2010	28/10/2010	SCM Reg 36(1)(a)(ii)	Slurry Dust & Road Stone Tar & Reseal	Gansbaai	Affmat Prima Klipbrekers	24,394.38	
SC820a/2010	05/03/2010	SCM Reg 36(1)(a)(ii)	Slurry Dust & Road Stone Tar & Reseal	Gansbaai	Affmat Prima Klipbrekers	25,600.10	
SC828/2010	01/03/2010	SCM Reg 36(1)(a)(ii)	TAG Rugby Programme Gansbaai 2010	Gansbaai	TAG Rugby	100,000.00	
SC833/2010	03/03/2010	SCM Reg 36(1)(a)(ii)	Building Services Module	Overstrand	Water Management Services CC		175215
SC836/2010	05/03/2010	SCM Reg 36(1)(a)(ii)	MyCity data service for water services monitoring	Overstrand	Flotron Instrumentation Services	22,900.00	
SC324b/2008	25/03/2010	SCM Reg 36(1)(a) (v)	Licence Fee Groupwise Novell	Overstrand	Lateral Dynamics (Pty) Ltd	350,469.00	
SC575a/2009	30/04/2010	SCM Reg 36(1)(a)(v)	Benchmarking Market-related Remuneration M.M. & Section 56	Overstrand	Work Dynamics (Pty) Ltd	12,100.00	
SC025a/2006	02/06/2010	SCM Reg 36(1)(a) (v)	Printing of Water & Electricity Accounts	Overstrand	CAB HoldingsPty	244,665.20	
SC845/2010	23/03/2010	SCM Reg 36(1)(a)(ii)	Drivers Licence cards Prodiba Feb 2010	Overstrand	Prodiba (Pty) Ltd	19,252.61	
SC847/2010	26/03/2010	SCM Reg 36(1)(a)(v)	Develop Sandbaai Commonage EIA & Other Studies	Hermanus	Plan Active	164,758.10	
SC848/2010	26/03/2010	SCM Reg 36(1)(a)(v)	Develop Sandbaai Commonage Engineering Services	Hermanus	ICE Group (Pty) Ltd	85,241.90	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
SC851/2010	08/04/2010	SCM Reg 36(1)(a)(ii)	Press shaft with brushes Gansbaai WWTW	Gansbaai	G W Trautmann cc	33,192.25	
SC851/2010	21/04/2010	SCM Reg 36(1)(a)(v)	By pass faulty protection relays Still Street	Hermannus	Onlab	24,306.20	
SC858/2010	21/04/2010	SCM Reg 36(1)(a)(ii)	Audit, programme & maintenance Emax meters	Overstrand	PJ Technologies	29,025.00	
SC859/2010	21/04/2010	SCM Reg 36(1)(a)(ii)	Repair Transmission CEM 12876	Hermannus	Overberg Agri	26,255.05	
SC861/2010	28/04/2010	SCM Reg 36(1)(a)(ii)	Road stone for road resurfacing	Gansbaai	Affinal Prima Klipbrekers	21,241.00	
SC862/2010	23/04/2010	SCM Reg 36(1)(a)(v)	Repair ultraviolet installation Kleinmond Sewage Plant	Kleinmond	Nine Kings (Pty) Ltd	15,860.88	
SC866/2010	28/04/2010	SCM Reg 36(1)(a)(v)	Contribution for INDABA to Destination Marketing Organisation	Overstrand	DMO (Desti- nation Marketing Organisation)	50,000.00	
SC868/2010	04/05/2010	SCM Reg 36(1)(a)(ii)	Purchasing of Chemicals	Overstrand	Meisi Chem Ikapa	194,370.00	
SC875/2010	11/05/2010	SCM Reg 36(1)(a)(ii)	Equipment for Gateway well (EC Meters, water level sensor and MyCity Telemetry)	Hermannus	Flotron Instrumentation Services	42,809.00	
SC876/2010	11/05/2010	SCM Reg 36(1)(a)(ii)	Meier audit	Gansbaai	PJ Technologies	26,125.00	
SC877/2010	12/05/2010	SCM Reg 36(1)(a)(v)	Repair Sewerage Pumps at various sites	Kleinmond	Pump Service Centre	23,582.36	
SC879/2010	28/05/2010	SCM Reg 36(1)(a)(ii)	Purchase Impedograph & PQ Recorders	Kleinmond en H-C T LAB (Pty) Ltd		299175	
SC880/2010	19/05/2010	SCM Reg 36(1)(a)(v)	Transport of prosthetic whale body ex Noordhoek Beach to Hermanus Central	Hermannus	Invusa Transport	38,700.00	
SC881/2010	20/05/2010	SCM Reg 36(1)(a)(i)	Helicopter fees for fire fighting Hawston 29 Dec 2009	Hermannus	FFA Aviation	147,422.00	
SC 887/2010	01/06/2010	SCM Reg 36 (1) (a) (ii)	Repair s & Maintenance of WAP high pressure pumps.	Hermannus	Boland Hoedrukspuit	14,939.42	
SC889/2010	25/06/2010	SCM Reg 36(1)(a)(v)	Training to meet National Treasury's minimum competency level	Overstrand	University of Pretoria	356,250.00	
SC891/2010	15/06/2010	SCM Reg 36(1)(a)(v)	Repair Sewerage Pump Palmiet rivier	Kleinmond	Tri-com Africa	20,820.00	
	15/07/2009	SCM Reg 36(1)(a)(ii)	Cable jointing HT cable ends Hawston Kerkstr	Hermannus	Giles Superstension	2,179.00	
	15/07/2009	SCM Reg 36(1)(a)(ii)	Repair HT cable Mariners Village	Hermannus	Giles Superstension	2,338.00	
	28/07/2009	SCM Reg 36(1)(a)(ii)	Repair faulty cable to the provincial hospital	Hermannus	Giles Superstension	2,898.00	
	21/07/2009	SCM Reg 36(1)(a)(ii)	Slurry Dust for the repair of streets	Gansbaai	Affinal (Prima Klipbrekers)	4,905.63	
	17/07/2009	SCM Reg 36(1)(a)(iv)	ISS Forms	Overstrand	Prodiba Pty Ltd	6,108.00	
	22/07/2009	SCM Reg 36(1)(a)(ii)	Repair faulty EC transmitter at GWP01	Hermannus	Flotron Instrumentation Service	6,226.00	
	27/07/2009	SCM Reg 36(1)(a)(i)	DL Envelopes	Hermannus	SA Post Office	10,530.70	
	28/07/2009	SCM Reg 36(1)(a)(ii)	Service KLEINMOND TELEMETRY	Kleinmond	Spectrum Communications	11,457.00	
	17/07/2009	SCM Reg 36(1)(a)(ii)	New Telephone points Onrus Eng offices	Hermannus	GUJIMA Ast Holdings	14,480.00	
	16/07/2009	SCM Reg 36(1)(a)(ii)	Repairs to panel at Nerina SIS	Hermannus	ABB SOUTH AFRICA (Pty) Ltd	15,000.00	
	22/07/2009	SCM Reg 36(1)(a)(ii)	Prepaid Envelopes for traffic Dept.	Hermannus	SA Post Office	15,796.05	
	09/07/2009	SCM Reg 36(1)(a)(v)	Service CATERPILAR 428 E – CEM 31789	Kleinmond	Barloworld Equipment	1,155.15	
	28/07/2009	SCM Reg 36(1)(a)(v)	Repairs CEM15468	Hermannus	Mitsubishi Motors Paarden Eiland	3,758.40	
	09/07/2009	SCM Reg 36(1)(a)(v)	Leak detection Kleinmond	Kleinmond	Detect-a-Leak	5,387.50	
	14/07/2009	SCM Reg 36(1)(a)(v)	Repair HAWSTON LT CABLE	Hermannus	Adenco Construction (Pty) Ltd	7,224.50	
	09/07/2009	SCM Reg 36(1)(a)(v)	Service CATERPILAR 428E CEM 31789	Kleinmond	Barloworld Equipment	10,047.00	
	31/07/2009	SCM Reg 36(1)(a)(v)	Repairs Grader CEM2421	Hermannus	Barloworld Equipment	10,404.03	
	20/07/2009	SCM Reg 36(1)(a)(v)	Hydraulic repairs to Nissan UD90 CEM 15338	Hermannus	Hycos Hydraulics and Pneumatics	14,500.00	
	10/07/2009	SCM Reg 36(1)(a)(v)	Duplicate keys Mercedes Benz CAM 9879	Kleinmond	Rola Motors	1,862.44	
	23/07/2009	SCM Reg 36(1)(a)(v)	Alarms Kleinmond traffic office	Kleinmond	Sandown Bay Security CC	4,135.36	
	30/07/2009	SCM Reg 36(1)(a)(v)	Remote control Auditorium lights	Hermannus	Alife Electrical CC	4,222.68	
	10/07/2009	SCM Reg 36(1)(a)(v)	Trimming and topping and felling of tree	Hermannus	D Fourie	5,087.72	
	23/07/2009	SCM Reg 36(1)(a)(v)	Advertising Onrus Caravan Park	Hermannus	SACCTN	5,300.00	
	22/07/2009	SCM Reg 36(1)(a)(v)	Cat spray to repair roads	Gansbaai	Tosas	10,892.00	
	06/08/2009	SCM Reg 36(1)(a)(ii)	Repair cable main feeders between Golf Club and Kwaalwater switching stations	Hermannus	Giles Superstension	2,880.00	
	03/08/2009	SCM Reg 36(1)(a)(ii)	Repairs high pressure WAPDX860	Hermannus	Blue Sands Trading 275 BK h/a Boland Hoedrukspuit	3,028.70	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	17/08/2009	SCM Reg 36(1)(a)(i)	Replace bushes on compactor at sewage works	Gansbaai	GW Trautmann	8,400.00	
	04/08/2009	SCM Reg 36(1)(a)(i)	Grade D driving licences examiner	Hermannus	Gene Louw Traffic College	11,676.96	
	11/08/2009	SCM Reg 36(1)(a)(v)	Hydrolic repairs to FORD F7610 TRACTOR CEM 9837	Stanford	L.T. de Jager	3,859.65	
	18/08/2009	SCM Reg 36(1)(a)(v)	Security guards Gansbaai Storingsterein	Gansbaai	Safe Security Systems Gansbaai	6,762.71	
	18/08/2009	SCM Reg 36(1)(a)(v)	Security guards Gansbaai Werksplaas	Gansbaai	Safe Security Systems Gansbaai	7,540.42	
	18/08/2009	SCM Reg 36(1)(a)(v)	Security guards Gansbaai Riooplaas	Gansbaai	Safe Security Systems Gansbaai	7,540.42	
	13/08/2009	SCM Reg 36(1)(a)(v)	Cat spray to repair roads	Gansbaai	Tosas	8,558.00	
	21/09/2009	SCM Reg 36(1)(a)(i)	Repair Provograph	Gansbaai	CT LAB	2,000.00	
	21/09/2009	SCM Reg 36(1)(a)(i)	Repairs Shack attack pressure unit	Gansbaai	Fire Raiders Cape	2,303.31	
	21/09/2009	SCM Reg 36(1)(a)(i)	Repairs to BEC44 Meters	Gansbaai	MERLIN GERIN SA (CONLOG)	2,397.00	
	07/09/2009	SCM Reg 36(1)(a)(i)	Spy-Yel Quick seals PMD logo & serial no.	Kleinmond	Power Measurement and Distribution	3,250.00	
	04/09/2009	SCM Reg 36(1)(a)(i)	Service Cylinders	Gansbaai	Drager SA	4,350.00	
	04/09/2009	SCM Reg 36(1)(a)(i)	Repair H.P Breathing air comp	Gansbaai	High Pressure Systems	4,522.90	
	10/09/2009	SCM Reg 36(1)(a)(i)	Repairs Trailer CEM 3366	Gansbaai	Fire Raiders Cape	5,532.50	
	29/09/2009	SCM Reg 36(1)(a)(i)	Repairs Wildfire Ultrasraker	Gansbaai	Fire Raiders Cape	6,995.75	
	16/09/2009	SCM Reg 36(1)(a)(i)	Service and repair of telemetry system	Gansbaai	Spectrum Communications	9,400.00	
	21/09/2009	SCM Reg 36(1)(a)(i)	Training and software upgrade	Gansbaai	PJ TECHNOLOGIES	9,881.00	
	16/09/2009	SCM Reg 36(1)(a)(i)	Repair P.T.O. SHAFT CEM26581 Tactor	Hermannus	URSUS S.A. (Pty.) Ltd	7,506.41	
	21/09/2009	SCM Reg 36(1)(a)(v)	Electrical audit services	Gansbaai	Yhukhani Electrical Pty Ltd	2,040.00	
	10/09/2009	SCM Reg 36(1)(a)(v)	Supply and install under diggs at Onrus river caravan park	Hermannus	Mr Spike	8,594.74	
	12/09/2009	SCM Reg 36(1)(a)(v)	Install and replacement of locks at Cashiers	Gansbaai	Prag Key and Heel Bar	9,357.02	
	30/10/2009	SCM Reg 36(1)(a)(i)	Service KLEINMOND TELEMETRY	Kleinmond	Spectrum Communications	1,928.50	
	14/10/2009	SCM Reg 36(1)(a)(i)	Jakkalsjaer	Hermannus	ASCO Family Trust	2,236.84	
	20/10/2009	SCM Reg 36(1)(a)(i)	Main broom for Duvelo 200 (straatveer masjien)	Hermannus	Uni-Cape Equipment	3,796.00	
	30/10/2009	SCM Reg 36(1)(a)(i)	Repair FR PUMP CEM12879	Gansbaai	Fire Raiders Cape	6,114.37	
	30/10/2009	SCM Reg 36(1)(a)(i)	Repair FR PUMP CEM14827	Gansbaai	Fire Raiders Cape	6,545.00	
	07/10/2009	SCM Reg 36(1)(a)(i)	Telemetry repairs	Gansbaai	Spectrum Communications	8,560.00	
	13/10/2009	SCM Reg 36(1)(a)(i)	Repair TRAILER PUMP & LOCKER CEM3366	Gansbaai	Fire Raiders Cape	11,797.50	
	30/10/2009	SCM Reg 36(1)(a)(i)	Repair FR PUMP CEM8390	Gansbaai	Fire Raiders Cape	14,185.78	
	06/10/2009	SCM Reg 36(1)(a)(i)	Security badges	Overstrand	The Badge Company	14,860.00	
	27/10/2009	SCM Reg 36(1)(a)(v)	Repair air conditioner IT Server Room	Hermannus	JM Refrigeration	1,535.09	
	07/10/2009	SCM Reg 36(1)(a)(v)	Repairs TOYOTA HILUX CEM5374	Hermannus	Worster Enjinsterium	2,301.01	
	22/10/2009	SCM Reg 36(1)(a)(v)	Repair of Palmiet pumpstation PLC	Kleinmond	WJ Cotter Elekries	3,609.16	
	28/10/2009	SCM Reg 36(1)(a)(v)	Repair and strip transmission CAM4022	Kleinmond	Masakhane motor repairs	4,352.00	
	29/10/2009	SCM Reg 36(1)(a)(v)	Repairs to sewerage tanker	Kleinmond	Saaymans Spring Works	9,300.00	
	30/10/2009	SCM Reg 36(1)(a)(v)	Repair Walker lawnmower	Kleinmond	Josco Services	11,111.67	
	09/10/2009	SCM Reg 36(1)(a)(v)	Premix to repair roads	Gansbaai	Tosas	8,420.00	
	30/10/2009	SCM Reg 36(1)(a)(v)	Premix to repair roads	Gansbaai	Tosas	9,060.00	
	28/10/2009	SCM Reg 36(1)(a)(v)	Road Gravel	Gansbaai	CS Groenewald	11,550.00	
	23/10/2009	SCM Reg 36(1)(a)(v)	Road stone 6.7mm and 13.2mm	Hermannus	Afrimat (Prima Klipbrekers)	11,637.00	
	27/11/2009	SCM Reg 36(1)(a)(i)	Repairs to WAP high pressure mackline	Kleinmond	Blue Sands Trading 275 BK h/a	2,092.25	
	25/11/2009	SCM Reg 36(1)(a)(i)	SABS Cold wearing course	Hermannus	Much Asphalt	4,263.30	
	25/11/2009	SCM Reg 36(1)(a)(i)	SABS Cold wearing course	Hermannus	Much Asphalt	4,263.30	
	27/11/2009	SCM Reg 36(1)(a)(v)	Repair and service Caterpillar 428E CEM31789	Kleinmond	Barloworld Equipment	3,830.84	
	24/11/2009	SCM Reg 36(1)(a)(v)	Repair exhaust manifolds CYT7621	Kleinmond	Pelma Truck Repairs	4,200.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	27/11/2009	SCM Reg 36(1)(a)(v)	Repair and service Caterpillar CEM19317	Kleinmond	Barloworld Equipment	10,363.60	
	06/11/2009	SCM Reg 36(1)(a)(v)	Disciplinary Hearing Paul De Villiers	Gansbaai	Linda Poijetier	3,878.00	
	17/11/2009	SCM Reg 36(1)(a)(v)	Hampers for affected beneficiaries Fire Disaster	Kleinmond	Kleinmond Spar	3,939.15	
	04/11/2009	SCM Reg 36(1)(a)(v)	Refreshments Mayoral Function	Hermanus	Food@Hand	7,500.00	
	01/12/2009	SCM Reg 36(1)(a)(i)	Repairs to voice recorder system	Hermanus	Omnilog	3,425.00	
	10/12/2009	SCM Reg 36(1)(a)(i)	SABS Cold wearing course	Hermanus	Much Asphalt	4,346.70	
	10/12/2009	SCM Reg 36(1)(a)(i)	SABS Cold wearing course	Hermanus	Much Asphalt	4,346.70	
	10/12/2009	SCM Reg 36(1)(a)(i)	SABS Cold wearing course	Hermanus	Much Asphalt	4,346.70	
	02/12/2009	SCM Reg 36(1)(a)(v)	Repairs to radios	Kleinmond	Esteaux Systems (Benliekor)	1,990.00	
	23/12/2009	SCM Reg 36(1)(a)(v)	Repair Walker lawnmower	Kleinmond	Josco Services	5,776.93	
	21/01/2010	SCM Reg 36(1)(a)(v)	Repair and replace faulty radios	Gansbaai	Esteaux Systems (Benliekor)	4,642.45	
	21/01/2010	SCM Reg 36(1)(a)(v)	Repair DPU 2000 relays Stillstraet substation	Hermanus	ONLAB Specialist Electo Technology	5,150.00	
	21/01/2010	SCM Reg 36(1)(a)(v)	Repairs Digital repeater	Gansbaai	Esteaux Systems (Benliekor)	6,807.02	
	10/02/2010	SCM Reg 36(1)(a)(i)	Supply and fit 682 Battery CEM10226 pump 1	Gansbaai	Fire Raiders Cape	1,389.25	
	08/02/2010	SCM Reg 36(1)(a)(i)	Search Works	Overstrand	Law deed solutions Pty Ltd	3,062.30	
	15/02/2010	SCM Reg 36(1)(a)(i)	Tape duct black and cable detector	Hermanus	Truvelo Manufacturers	3,215.42	
	04/02/2010	SCM Reg 36(1)(a)(i)	Water analysing Tablets Alum 1 and 2	Hermanus	Seletech	3,330.00	
	18/02/2010	SCM Reg 36(1)(a)(i)	Cold wearing course	Hermanus	Much Asphalt	4,428.68	
	10/02/2010	SCM Reg 36(1)(a)(i)	Service and repair of telemetry system	Gansbaai	Spectrum Communications	4,987.00	
	02/02/2010	SCM Reg 36(1)(a)(i)	Repair Chlor dosing system WWTW	Hermanus	Spectrum Communications	5,200.00	
	02/02/2010	SCM Reg 36(1)(a)(i)	Repair handheids	Hermanus	Consolidated African Technologies	6,354.00	
	17/02/2010	SCM Reg 36(1)(a)(i)	SP1 Spy-Yel Quick seals PMD logo & serial no.	Hermanus	Power Measurement and Distribution	8,125.00	
	08/02/2010	SCM Reg 36(1)(a)(i)	Deeds Searches Oct - Dec 2009	Overstrand	Chief registrar of deeds	9,959.65	
	15/02/2010	SCM Reg 36(1)(a)(i)	Calibration of equipment	Hermanus	Truvelo Manufacturers	11,425.11	
	22/02/2010	SCM Reg 36(1)(a)(v)	Repair hydraulic system CAM31017	Kleinmond	Hyco Hydraulics and Pneumatics	1,592.10	
	10/02/2010	SCM Reg 36(1)(a)(v)	Repairs CEM21823	Hermanus	Worcester Enlinsentrum	3,355.60	
	08/02/2010	SCM Reg 36(1)(a)(v)	Repair Stihl FSS500 bushcutter	Hermanus	Hermanus Mower Centre	4,471.82	
	10/02/2010	SCM Reg 36(1)(a)(v)	Repairs CEM2869	Gansbaai	Tata Hermanus	5,179.74	
	15/02/2010	SCM Reg 36(1)(a)(v)	Repair caterpillar 930 front end loader CAM13541	Hermanus	Masakhane motor repairs	10,079.83	
	02/02/2010	SCM Reg 36(1)(a)(v)	Repair faulty radios	Gansbaai	Esteaux Systems (Benliekor)	14,290.00	
	18/02/2010	SCM Reg 36(1)(a)(v)	Repair gearbox CEM 2746	Hermanus	Vaal Cape Transmission	15,260.21	
	15/02/2010	SCM Reg 36(1)(a)(v)	Food for officers 31/12/2009	Overstrand	Steers Hermanus	2,964.87	
	03/02/2010	SCM Reg 36(1)(a)(v)	Building sand Royal house, MP sportsground, Hermanus swimming pool	Hermanus	LOCO GRONDVERSKEUWING & KONSTRUKSIE BK	5,811.83	
	25/02/2010	SCM Reg 36(1)(a)(v)	Control of sulphide sewerage odour B220R	Hermanus	Bio-Systems Distribution	9,567.98	
	04/03/2010	SCM Reg 36(1)(a)(i)	Refill Dräger BA cylinders	Gansbaai	Dräger SA	610.00	
	03/03/2010	SCM Reg 36(1)(a)(i)	Repair and service Dräger BA cylinders	Gansbaai	Dräger SA	2,100.00	
	16/03/2010	SCM Reg 36(1)(a)(i)	Spy-Yel Quick seals PMD logo & serial no.	Kleinmond	Power Measurement and Distribution	3,250.00	
	09/03/2010	SCM Reg 36(1)(a)(i)	Parts for vacuum tanks on tankers CEM25152 and CEM4439	Hermanus	Broom Engineering	3,971.00	
	05/03/2010	SCM Reg 36(1)(a)(i)	Repair and service high pressure trolley unit	Gansbaai	Fire Raiders Cape	4,299.77	
	02/03/2010	SCM Reg 36(1)(a)(i)	Cold wearing course	Hermanus	Much Asphalt	4,476.66	
	09/03/2010	SCM Reg 36(1)(a)(i)	Cold wearing course	Hermanus	Much Asphalt	4,476.66	
	24/03/2010	SCM Reg 36(1)(a)(i)	Cold wearing course	Hermanus	Much Asphalt	4,476.66	
	16/03/2010	SCM Reg 36(1)(a)(i)	Repairs Genset Onnusrivier main sewerage pump station	Hermanus	HSM	7,700.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	17/03/2010	SCM Reg 36(1)(a)(b)(v)	Service Bernad Pressure release valve	Stanford	Macsteel Fluid Control	8,393.80	
	17/03/2010	SCM Reg 36(1)(a)(b)(v)	Tow-in of vehicles	Hermannus	Hermannus Towing	11,906.17	
	05/03/2010	SCM Reg 36(1)(a)(v)	Repairs on Talley 6045 line printer	Kleinmond	Invusa Trading via Ribbon Mania	3,750.00	
	24/03/2010	SCM Reg 36(1)(a)(v)	Repair Onrus River power generator	Hermannus	Overberg Diesel	4,254.39	
	10/03/2010	SCM Reg 36(1)(a)(v)	Service of caterpillar CAM16700	Kleinmond	Barloworld Equipment	12,681.04	
	04/03/2010	SCM Reg 36(1)(a)(v)	Service of existing industrial doors	Gansbaai	M&A Industrial doors	1,800.00	
	23/03/2010	SCM Reg 36(1)(a)(v)	Repair cable on Kleinbaai main HV feeder	Gansbaai	Giles Superstension	5,000.00	
	11/03/2010	SCM Reg 36(1)(a)(v)	Operating of hired power generator Onrus River	Hermannus	H.S.M	7,700.00	
	23/03/2010	SCM Reg 36(1)(a)(v)	Fault location on Kleinbaai main HV feeder	Gansbaai	Caltest CC	9,000.00	
	13/04/2010	SCM Reg 36(1)(a)(v)	Purchase Electrode PHC2401-8	Gansbaai	Anatech Instruments Pty Ltd	2,733.60	
	07/04/2010	SCM Reg 36(1)(a)(v)	Service of UPS	Hermannus	UPS Cape via AC Digital energy	3,107.50	
	06/04/2010	SCM Reg 36(1)(a)(v)	Service and repair of telemetry system Fishertoven reservoir	Hermannus	Spectrum Communications	5,160.00	
	06/04/2010	SCM Reg 36(1)(a)(v)	Replace foam proportioner housing CEM10226	Gansbaai	Fire Raiders Cape	5,727.55	
	06/04/2010	SCM Reg 36(1)(a)(v)	Repair and service fire fighting equipment CEM2179	Gansbaai	Fire Raiders Cape	6,970.52	
	16/04/2010	SCM Reg 36(1)(a)(v)	Repairs panel Control room Scout camp	Hermannus	HSM	8,948.75	
	22/04/2010	SCM Reg 36(1)(a)(v)	3 Phase PLC prepaid meters	Gansbaai	Landis+Gyr	14,300.00	
	08/04/2010	SCM Reg 36(1)(a)(v)	Service digger loader CEM31789	Hermannus	Barloworld Equipment	10,728.85	
	18/04/2010	SCM Reg 36(1)(a)(v)	Rewire and replaced burn out switch	Hermannus	Emarate Air	4,000.00	
	10/04/2010	SCM Reg 36(1)(a)(v)	Fault location on MV cable	Gansbaai	Caltest CC	5,308.00	
	28/04/2010	SCM Reg 36(1)(a)(v)	Faultfinding faulty MV cable	Gansbaai	Caltest CC	5,308.00	
	40183	SCM Reg 36(1)(a)(v)	Split Meter Gemini PLC	Gansbaai	Landis+Gyr	103,000.00	
	07/05/2010	SCM Reg 36(1)(a)(v)	Cold wearing course	Hermannus	Much Asphalt	4,476.68	
	28/05/2010	SCM Reg 36(1)(a)(v)	Repair WAP high pressure machine	Hermannus	Blue Sands Trading 275 BK h/a	7,611.55	
	31/05/2010	SCM Reg 36(1)(a)(v)	Service and repair WAP DX860	Hermannus	Blue Sands Trading 275 BK h/a	7,611.85	
	06/05/2010	SCM Reg 36(1)(a)(v)	Payslips	Overstrand	Payday	8,296.00	
	11/05/2010	SCM Reg 36(1)(a)(v)	Repair and service fire fighting equipment CEM14827	Gansbaai	Fire Raiders Cape	12,505.85	
	11/05/2010	SCM Reg 36(1)(a)(v)	Drivers licence cards Apr 2010	Overstrand	Prodba Ply Ltd	18,314.47	
	07/05/2010	SCM Reg 36(1)(a)(v)	Split Meter Gemini PLC	Gansbaai	Landis+Gyr	49,590.00	
	16/05/2010	SCM Reg 36(1)(a)(v)	Repair diesel pump fire truck cem 2653	Gansbaai	Overberg Diesel	6,500.00	
	28/05/2010	SCM Reg 36(1)(a)(v)	Repair radios	Gansbaai	Estaux Systems (Benilekor)	11,771.64	
	05/05/2010	SCM Reg 36(1)(a)(v)	Replace isolators of transformer Bergstraat Sandbaai	Hermannus	Power Transformers	2,500.00	
	05/05/2010	SCM Reg 36(1)(a)(v)	Supply transformers of transformer Bergstraat Sandbaai	Hermannus	Power Transformers	2,500.00	
	07/05/2010	SCM Reg 36(1)(a)(v)	Warm SABS wearing course	Hermannus	Much Asphalt	3,648.30	
	07/05/2010	SCM Reg 36(1)(a)(v)	Warm SABS wearing course	Hermannus	Much Asphalt	3,648.30	
	07/05/2010	SCM Reg 36(1)(a)(v)	Warm SABS wearing course	Hermannus	Much Asphalt	3,648.30	
	28/05/2010	SCM Reg 36(1)(a)(v)	Faulty cable Ulenstraalmond	Gansbaai	Caltest CC	4,908.00	
	28/05/2010	SCM Reg 36(1)(a)(v)	Fault location and testing Ulenstraalmond	Gansbaai	Caltest CC	4,908.00	
	14/05/2010	SCM Reg 36(1)(a)(v)	Replace one mobile toilet (damaged)	Kleinmond	Boland Toilet Services	5,350.00	
	13/05/2010	SCM Reg 36(1)(a)(v)	Market related remuneration SECC6 Managers	Hermannus	Work Dynamics	12,100.00	
	02/06/2010	SCM Reg 36(1)(a)(v)	Repair radios	Gansbaai	Estaux Systems (Benilekor)	1,267.50	
	14/06/2010	SCM Reg 36(1)(a)(v)	Repairs to hydraulic system CAM11187	Kleinmond	Hycro Hydraulics and Pneumatics	2,800.00	
	02/06/2010	SCM Reg 36(1)(a)(v)	Service and repair Ben-Q projektor	Hermannus	Overberg Computers	3,228.07	
	02/06/2010	SCM Reg 36(1)(a)(v)	Overhaul fuel pump standby generator CEM5898	Hermannus	Overberg Diesel	4,125.00	
	25/06/2010	SCM Reg 36(1)(a)(v)	Repairs to diesel pump CEM11744	Gansbaai	Overberg Diesel	4,500.00	
	27/06/2010	SCM Reg 36(1)(a)(v)	Service and repair of repeater at Groobos	Gansbaai	Estaux Systems (Benilekor)	4,860.00	
	25/06/2010	SCM Reg 36(1)(a)(v)	Service and repair of repeater Pringlebaai	Gansbaai	Estaux Systems (Benilekor)	6,280.50	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	25/06/2010	SCM Reg 36(1)(a)(v)	500hour Service CEM31339	Gansbaai	Barloworld Equipment	7,885.95	
	25/06/2010	SCM Reg 36(1)(a)(v)	Repairs to 914G loader CEM26824	Gansbaai	Barloworld Equipment	14,119.84	
	02/06/2010	SCM Reg 36(1)(a)(v)	Movement of Xerox WC5230 Traffic department	Hermanus	Cape Office Machines	565.00	
	10/06/2010	SCM Reg 36(1)(a)(v)	Install loudspeaker Motorola kit CEM8390	Hermanus	Esteaux Systems (Benilekor)	1,410.00	
	10/06/2010	SCM Reg 36(1)(a)(v)	Install radio CEM110	Gansbaai	Esteaux Systems (Benilekor)	3,394.92	
	11/06/2010	SCM Reg 36(1)(a)(v)	Repairs telemetry system water network	Kleinmond	Spectrum Communications	5,303.28	
DEVIATIONS FOR THE PERIOD 1 JULY 2008 TO 30 JUNE 2009						6,359,519.88	2,420,002.50

SCM Reg 36(1)(a)(i)	An emergency (An emergency is an unforeseeable and sudden event with harmful or potentially harmful consequences for the municipality which requires urgent action to address.)
SCM Reg 36(1)(a)(ii)	Goods or services are produced or available from a single provider only
SCM Reg 36(1)(a)(iii)	The acquisition of special works of art or historical objects where specifications are difficult to compile
SCM Reg 36(1)(a)(iv)	Acquisition of animals for zoos and/or nature and game reserves
SCM Reg 36(1)(a)(v)	Exceptional case where it was impractical or impossible to follow the official procurement processes

OVERSTRAND MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

FINANCIAL INSTRUMENTS (Continued)

Liquidity and Interest Risk Tables

The following tables detail the municipality's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date which the municipality can be required to pay. The table includes both interest and principal cash flows.

Description	Note ref in AFS	Average effective Interest Rate %	Total R	1 - 12 Months R	1 - 2 Years R	2 - 5 Years R	More than 5 Years
30 June 2010 Fixed Interest Rate Instruments	15	10.52%	332,961,424	28,058,590	27,971,691	75,819,100	201,112,043
30 June 2009 Fixed Interest Rate Instruments	15	10.20%	239,463,598	16,666,797	26,725,708	59,153,979	136,917,113

UNAUDITED APPENDIX A
OVERSTRAND MUNICIPALITY: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2010

	Loan Number	Redeemable	Balance at 30/06/2009 R	Received during the period R	Redeemed/ written off during period R	Balance at 30/06/2010 R	Other costs in accordance with M/FMA R
ANNUITY LOANS							
ABSA @ 10.440%	4073054262	2024	40,000,000	-	1,191,324	38,808,676	-
ABSA @ 10.82%	4073923493	2024	42,000,000	-	1,211,865	40,788,135	-
ABSA @ 10.50%	3029589816	2024	-	70,000,000	1,027,624	68,972,376	-
DBSA @ 9.171%	13535/102	2020	3,455,071	-	314,097	3,140,974	-
DBSA @ 9.171%	13543/101	2019	3,009,762	-	273,615	2,736,147	-
DBSA @ 9.171%	13761/101	2020	2,998,558	-	260,744	2,737,814	-
DBSA @ 12.00%	10450/102	2017	822,264	-	66,034	756,230	-
DBSA @ 8.42%	102169/1	2022	15,883,925	-	644,250	15,239,675	-
RAND MERCHANT @ 10.219%		2008	8,052,996	-	8,052,995	1	-
INCA @ 12.82%		2012	10,002,732	-	2,429,570	7,573,162	-
Total annuity loans			126,225,308	70,000,000	15,472,119	180,753,189	-
TOTAL EXTERNAL LOANS			126,225,308	70,000,000	15,472,119	180,753,189	-

UNAUDITED APPENDIX B
OVERSTRAND MUNICIPALITY: ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
30 JUNE 2010

	30 JUNE 2010						30 JUNE 2010					
	Cost / Revaluation					Accumulated Depreciation					Carrying Value R	
	Opening Balance R	Additions R	Disposals R	Under Construction R	Transfers R	Closing Balance R	Opening Balance R	Depreciation R	Disposals R	Transfers R		Closing Balance R
Land	350,071,400	7,437,905	-	-	(64,129)	357,445,176	-	-	-	-	-	357,445,176
	350,071,400	7,437,905	-	-	(64,129)	357,445,176	-	-	-	-	-	357,445,176
Buildings												
Operational Buildings	28,157,956	3,591,401	-	-	(150,000)	31,599,357	-	5,329,888	-	(10,000)	5,319,888	26,279,469
Community Buildings	87,671,344	1,942,724	-	-	-	89,614,069	-	-	-	-	-	89,614,069
	115,829,300	5,534,125	-	-	(150,000)	121,213,426	-	5,329,888	-	(10,000)	5,319,888	115,893,538
Infrastructure												
Roads	1,628,506,488	9,672,141	-	11,088,161	-	1,649,266,789	707,355,134	34,384,624	-	-	741,739,758	907,527,031
Sewerage	606,902,554	3,369,665	-	1,769,362	-	612,041,581	274,809,838	12,607,800	-	-	287,417,638	324,623,943
Electricity	908,175,726	27,283,445	-	468,404	-	935,927,575	341,625,442	17,539,764	-	-	359,165,206	576,762,368
Water	1,192,409,117	11,873,460	(3,902,804)	17,923,780	-	1,218,303,553	854,894,361	14,955,397	(3,553,970)	-	866,295,788	352,007,765
Stormwater Drains	185,371,597	5,769,084	-	-	-	191,140,681	131,026,941	1,834,665	-	-	132,861,606	58,279,075
Solid Waste Disposal	33,937,894	5,993,432	-	-	-	39,931,325	3,955,316	1,525,356	-	-	5,480,674	34,450,651
Security measures	18,515,365	5,226,869	-	-	-	23,742,234	7,156,510	717,128	-	-	7,873,638	15,868,596
	4,573,818,741	69,188,094	(3,902,804)	31,249,707	-	4,670,353,739	2,320,823,542	83,564,736	(3,553,970)	-	2,400,834,308	2,269,519,430
Community Assets												
Recreational facilities	94,257,930	127,234	-	-	-	94,385,164	21,621,314	4,528,513	-	-	26,149,827	68,235,337
Other community assets	-	-	-	-	-	-	-	-	-	-	-	-
	94,257,930	127,234	-	-	-	94,385,164	21,621,314	4,528,513	-	-	26,149,827	68,235,337
Heritage Assets												
Heritage Assets	66,228,309	-	-	-	-	66,228,309	-	-	-	-	-	66,228,309
	66,228,309	-	-	-	-	66,228,309	-	-	-	-	-	66,228,309
Other Assets												
Furniture	1,649,657	272,610	(7,597)	-	-	1,914,670	545,305	227,705	(1,796)	-	771,214	1,143,456
Equipment	7,930,684	1,499,863	(289,920)	-	-	9,140,627	3,271,438	1,296,182	(194,264)	-	4,373,356	4,767,271
Vehicles	45,720,168	-	(93,939)	-	-	45,626,229	10,084,668	6,193,266	(62,461)	-	16,215,473	29,410,756
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
	55,300,509	1,772,473	(391,456)	-	-	56,681,526	13,901,411	7,717,153	(258,521)	-	21,360,043	35,321,483
Total	5,255,506,190	84,059,832	(4,294,260)	31,249,707	(214,129)	5,366,307,340	2,356,346,268	107,140,290	(3,812,491)	(10,000)	2,453,664,067	2,912,643,274

UNAUDITED APPENDIX B
OVERSTRAND MUNICIPALITY: ANALYSIS OF INTANGIBLE ASSETS
30 JUNE 2010

	Cost / Revaluation						Accumulated Amortisation					Carrying Value
	Opening Balance	Additions	Disposals	Under Construction	Transfers	Closing Balance	Opening Balance	Depreciation	Disposals	Transfers	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	R
Intangible assets												
Water rights	2,360,000	-	-	-	-	2,360,000	-	-	-	-	-	2,360,000
Software and programme	465,030	219,695	-	-	-	684,725	465,030	2,418	-	-	467,448	217,277
	2,825,030	-	-	-	-	3,044,725	465,030	2,418	-	-	467,448	2,577,277
Total	5,258,331,220	84,059,832	(4,294,260)	31,249,707	-	5,369,346,499	2,356,811,297	101,142,708	(3,812,491)	-	2,454,141,514	2,915,204,985

UNAUDITED APPENDIX C
OVERSTRAND MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2010

	Cost					Accumulated Depreciation					Carrying Value R
	Opening Balance R	Additions R	Under Construction R	Disposals R	Transfers R	Closing Balance R	Opening Balance R	Depreciation R	Disposals R	Transfers R	Closing Balance R
Finance & Admin	534,984,824	2,900,587	-	(391,456)	(214,129)	537,279,826	17,913,888	13,797,502	(258,521)	(10,000)	31,442,669
Planning & Development	-	15,903,955	-	-	-	15,903,955	-	-	-	-	26,116,494
Community & Social Services	82,457,930	127,234	-	-	-	82,585,164	21,621,314	4,495,180	-	-	56,468,670
Sport & Recreation	5,731,750	1,166,830	-	-	-	6,898,580	3,144,233	-	-	-	3,754,347
Environmental Protection	77,028,309	-	-	-	-	77,028,309	-	-	-	-	77,028,309
Waste Management	826,212,045	15,132,181	1,769,362	-	-	843,113,588	409,792,095	15,967,823	-	-	425,759,918
Road Transport	1,628,506,498	9,672,141	11,088,161	-	-	1,649,266,790	707,355,133	34,384,624	-	-	741,739,757
Water	1,192,409,117	11,873,460	17,923,780	(3,802,804)	-	1,218,303,553	854,894,361	14,955,397	(3,553,970)	-	866,295,788
Electricity	908,175,726	27,283,445	468,404	-	-	935,927,575	341,625,441	17,538,764	-	-	359,165,205
Total	5,235,506,189	84,059,833	31,249,707	(4,294,260)	(214,129)	5,366,307,340	2,356,346,265	101,140,290	(3,812,491)	(10,000)	2,453,664,064
											2,912,643,276

UNAUDITED APPENDIX D
OVERSTRAND MUNICIPALITY: SEGMENTAL STATEMENT OF FINANCIAL
PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2010

2009	2009	2009	2010	2010	2010
Actual	Actual	Surplus/	Actual	Actual	Surplus/
Income	Expenditure	(Deficit)	Income	Expenditure	(Deficit)
R	R	R	R	R	R
21,224,879	11,765,290	9,459,589	23,249,491	44,623,011	(21,373,520)
131,079,530	52,800,660	78,278,870	134,603,786	112,182,392	22,421,394
4,626,022	18,834,346	(14,208,324)	40,334,977	27,449,245	12,885,732
1,479,849	27,915,437	(26,435,588)	1,411,181	25,375,467	(23,964,286)
6,669,363	12,069,735	(5,400,372)	18,702,679	14,569,911	4,132,768
7,714,877	27,131,402	(19,416,525)	6,399,114	28,923,203	(22,524,089)
5,532,525	14,504,910	(8,972,385)	6,771,298	16,073,294	(9,301,996)
134,290	4,388,489	(4,254,199)	132,744	7,720,838	(7,588,094)
31,651,252	32,140,090	(488,838)	36,401,020	31,799,478	4,601,542
32,056,044	34,655,902	(2,599,858)	43,542,566	37,697,041	5,845,525
43,987	48,866,091	(48,822,104)	1,707,411	61,747,741	(60,040,330)
67,000,042	68,264,022	(1,263,980)	77,420,350	85,556,799	(8,136,449)
113,210,672	116,436,206	(3,225,534)	155,263,687	142,604,777	12,658,910
422,423,332	469,772,580	(47,349,248)	545,940,304	636,323,197	(90,382,893)
		Sub-Total			
0	(70,001,560)	70,001,560		(80,501,800)	80,501,800
		Less: Inter-departmental Charges			
422,423,332	399,771,020	22,652,312	545,940,304	555,821,397	(9,881,093)
		Total			

UNAUDITED APPENDIX E(1)
OVERSTRAND MUNICIPALITY: ACTUAL VS. BUDGET (REVENUE AND EXPENDITURE) FOR THE
YEAR ENDED 30 JUNE 2010

	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
REVENUE				
Property rates	121,922,911	120,829,900	1,093,011	1
Service charges	292,633,636	293,754,590	(1,120,954)	(0)
Property rates - penalties imposed and collection charges	827,811	940,000	(112,189)	(12)
Rental Income	5,842,353	6,452,800	(610,447)	(9)
Public contributions, donated and contributed	8,467,833	17,743,000	(9,275,167)	(52)
Fines	2,528,628	3,263,800	(735,172)	(23)
Licences and permits	1,410,817	1,585,300	(174,483)	(11)
Government grants	56,652,174	63,482,763	(6,830,589)	(11)
Other income	23,444,737	10,496,121	12,948,616	123
Interest received- investment	4,956,885	5,601,175	(644,290)	(12)
Total Revenue	518,687,784	524,149,449	(5,461,665)	(1)
EXPENDITURE				
Employee related costs	156,843,819	154,821,490	(2,022,329)	(1)
Remuneration of Councilors	4,529,711	4,595,540	65,829	1
Depreciation, Impairment and amortisation	101,142,706	108,750,521	7,607,815	7
Impairment loss	117,000	-	(117,000)	
Finance Costs	19,294,616	16,896,771	(2,397,845)	(14)
Debt impairment	9,507,272	2,000,000	(7,507,272)	(375)
Repairs and maintenance	48,925,451	52,026,877	3,101,426	6
Bulk purchases	78,005,896	81,285,000	3,279,104	4
Contracted services	14,461,156	15,327,513	866,357	6
Grants and subsidies paid	11,817,760	14,000,000	2,182,240	16
General expenses - other (including abnormal expenses)	110,827,156	135,239,172	24,412,016	18
Total Expenditure	555,472,543	584,942,884	29,470,341	5
Gain on disposal of assets	7,046,456	-	(7,046,456)	
Fair Value Adjustment	19,857,210	-	(19,857,210)	
NET SURPLUS/(DEFICIT) FOR THE YEAR	(9,881,093)	(60,793,435)	(50,912,342)	

UNAUDITED APPENDIX E(2) OVERSTRAND MUNICIPALITY: ACTUAL VS. BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2010					
	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %	Explanation of Significant Variances Greater than 5% versus Budget
Land					
Land	-	-	-	0	
Buildings					
Community Buildings	11,920,471	12,063,600	(143,129)	-1%	
	11,920,471	12,063,600	(143,129)	-1%	
Infrastructure					
Roads	18,496,562	18,076,279	420,283	2%	
Sewerage	6,760,682	6,860,070	(99,388)	-1%	
Electricity	26,575,762	28,811,819	(2,236,057)	-8%	Roll over projects to 2010/2011
Water	16,983,788	17,896,408	(912,620)	-5%	
Stormwater drains	7,307,015	7,369,410	(62,395)	-1%	
Solid Waste Disposal	5,993,432	6,273,708	(280,276)	-5%	
Security measures	199,708	199,708	-	0%	
	82,316,949	85,487,402	(3,170,453)	-4%	
Community Assets					
Recreational facilities	1,166,830	1,167,806	(976)	0%	
Low Cost Housing	8,117,567	10,995,220	(2,877,653)	-35%	Earlier project delays
Local Economic Dev.	2,354,103	2,354,103	-	0%	
	11,638,500	14,517,129	(2,878,629)	-36%	
Heritage Assets					
	-	-	-		
Other Assets					
Inventory	589,717	797,369	(207,652)	-35%	Purchases as required
ICT	1,402,450	1,749,173	(346,723)	-25%	Purchases as required
	589,717	797,369	(207,652)	-35%	
Total	106,465,637	112,865,500	(6,399,863)	-6%	

UNAUDITED APPENDIX F

OVERSTRAND MUNICIPALITY: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant and Subsidies Received

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure				Grants and Subsidies delayed / withheld	Reason for delay withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance						
FM/G MSIG Library Community Dev. Workers Prov Road Subsidy Housing Consumer Education Cleanest Town Competition Social Housing MIG Projects INEG - Electricity NDPG - LED Masimbimane Project Multi Purpose Centre	Nat Treasury Nat Treasury PAWC PAWC PAWC PAWC PAWC PAWC PAWC DME Nat Treasury DWAf PAWC	Quarterly Receipts				Quarterly Expenditure				Grants and Subsidies delayed / withheld		Yes / No							
		June	Sept	Dec	March	June	Sept	Dec	March					June	Sept	Dec	March	June	
		500,000	-	-	-	750,000	884,531	-	-					750,000	-	-	-	-	Y
		400,000	-	-	-	400,000	397,098	-	-					400,000	-	-	-	-	Y
		505,419	-	-	-	556,000	505,419	-	-					556,000	-	-	-	-	Y
		96,000	-	-	-	96,000	96,000	-	-					96,000	-	-	-	-	Y
		16,000	-	-	-	-	16,000	-	-					-	-	-	-	-	Y
		150,000	-	-	-	150,000	52,967	-	-					130,545	-	-	-	-	Y
		40,000	-	-	-	-	-	-	-					34,990	-	-	-	-	Y
		2,176,726	-	-	-	12,392,040	6,132,042	-	-					17,722,670	-	-	-	-	Y
		10,058,000	-	-	-	15,894,000	14,188,000	-	-					11,930,655	-	-	-	-	Y
		-	-	-	-	1,921,000	-	-	-					1,921,000	-	-	-	-	Y
		-	-	-	-	2,263,663	-	-	-					2,263,663	-	-	-	-	Y
		297,000	-	-	-	-	1,031,470	-	-					-	-	-	-	-	Y
-	-	-	-	-	616,419	-	-	78,016	-	-	-	-	Y						
14,239,145	-	-	-	34,422,703	23,919,946	-	-	35,883,539	-	-	-	-							